

# An unusual friendship

*An inquiry into partnerships between human rights organizations and companies*

Candidate number: 8010

Submission deadline: 15.05.15

Number of words: 19,981

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## **Acknowledgements**

First, and most importantly, I would like to thank my supervisor, Professor Bård Anders Andreassen, whose guidance has been a source of great support throughout this process.

A special thank you to my informants at the organizations and companies this study is based on: the Danish Institute for Human Rights, Amnesty International, Hydro, Company-A and Stora Enso. My meetings with you were all exciting and very interesting, and made this experience quite enjoyable.

Additionally, I would like to extend a big thank you to the people at the Norwegian Human Rights Fund for an amazing internship and many helpful thoughts.

A sincere thank you to Kristoffer and Rebecca, for both being so kind and helpful. Thank you to my parents and family, for endless support throughout my studies.

I would further like to thank the Norwegian Centre for Human Rights for being such a good place to read and learn during these two years. Lastly also, a massive thank you to the inspirational girls in my year, for great company and motivation.

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# 1 Introduction

The UN Guiding Principles on Business and Human Rights (UNGPs) recommend to businesses<sup>1</sup> the use of external expertise, stakeholder dialogue, and civil society consultation.<sup>2</sup> Hence, collaboration with for example human rights organizations is presented as a key tool for companies to meet their responsibility to respect human rights in accordance with the UNGPs. This raises several questions; how do collaborations between companies and NGOs<sup>3</sup> work? What effect do they have in regards to corporate behavioural change? And what motivates the actors to enter into them? In this research paper I intend to find the answers to these questions through the case study of three large Nordic corporations that have all gone into partnership with human rights organizations in order to better meet their human rights responsibility.

The importance and impact of cross sector engagements is growing. The purpose of this thesis is therefore to explore the possibilities of corporate NGO partnerships from a human rights perspective. This is interesting for the human rights and business discourse as it represents a potential for positive development towards corporate compliance with international human rights.

## 1.1 Setting the scene

Although present earlier, corporate NGO partnerships is a phenomenon which mainly started to evolve in the 1990s.<sup>4</sup> The 1990s was a time of growth for large multinational corporations (MNCs) during the emergence of a far more globalized economy. Along with this globalization came a weakening of the state's role, generating the so-called governance

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<sup>1</sup> The words business, corporation, company will be used interchangeably throughout the thesis.

<sup>2</sup> UNGPs,(2011).

<sup>3</sup> Non-governmental organization.

<sup>4</sup> Murphy and Coleman(2000)p.212; confer also Crane(2000)p.164.

gap.<sup>5</sup> This decade further witnessed tragic corporate scandals such as Enron and Brent Spar which formed a picture of corporations as ruthless immoral villains.<sup>6</sup> The backlash was an intense focus on corporate social responsibility and sustainable development, concepts which have since then embraced the partnership approach.

The relationship between NGOs and corporations is often characterized as antagonistic.<sup>7</sup> Through campaigns NGOs have targeted corporations and pushed for them to meet social expectations and legal requirements, whilst also striving to change broader expectations about corporate responsibility and State regulation. Having acted as “bitter” enemies, corporations and NGOs are now meeting in several areas, addressing everything from poverty to environmental issues. On the assumption that a more collaborative relationship can yield benefits for both actors, they form strategic partnerships also on the issue of human rights.<sup>8</sup> Partnerships between companies and NGOs are thus exceedingly viewed as an instrument for addressing global challenges and development.

## 1.2 Research question

The purpose of the paper is to gain an understanding of the concept of strategic partnerships between human rights organizations and companies. My intention is to provide insight to how these partnerships are formed and succeed, and how they help both partners reach further towards their goals. I especially wish to get a look into how the partnerships change corporate behavior in meeting their human rights responsibility. In contrast to philanthropy, strategic partnerships evolve around the core activities of both the organization and the company involved. A strategic partnership is mutually beneficial and partnership operations are based on common interests of the two actors.<sup>9</sup> I wish to understand *if* and *how* uniting and leveraging their relative strengths in a partnership enables human rights

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<sup>5</sup> Newell(2000).

<sup>6</sup> Enoch(2007).

<sup>7</sup> Doh and Teegen(eds.)(2003).

<sup>8</sup> Teegen, Doh and Vachani(2004).

<sup>9</sup> Nergaard et al.(2009); Googins and Rochin(2000).

organizations and MNCs to both realize their separate ambitions better.<sup>10</sup> Accordingly I have three main research questions:

***Why do companies and human rights organizations engage in strategic partnerships?***

***How do partnerships between companies and human rights organizations work?***

***To what degree is a corporate NGO partnership effective for changing corporate human rights behavior?***

For empirical research I study its effects in three different Nordic partnerships; Company-A – Amnesty, Hydro – Amnesty, and Stora Enso - Danish Institute for Human Rights.<sup>11</sup> Through semi-structured interviews with all parties, I explore three main aspects of the partnerships; the motivation behind them, how they work in practice and what the resulting change in corporate behaviour has been. As the paper takes the UNGPs as its point of departure I also make a special inquiry into their relation to the UNGPs.

As a sidestep, I believe it is necessary to point out that partnerships are not on their own being evaluated as an alternative to binding human rights and business standards. Rather, it is seen as a tool for increasing corporate coherence with today's soft law standards. Hence, my concern in this study is simply the strength and potential of corporate NGO partnerships with companies who have already voluntarily committed themselves to changing their human rights practice.

The findings in this thesis may be helpful for further research. Hopefully the research will be interesting to NGOs, businesses, academics and students in the area of business and human rights. The paper might contribute to fostering a dialogue on partnerships and thus further aspires to provide inspiration for new and better partnerships.

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<sup>10</sup> Dahan et al.(2010)p.331.

<sup>11</sup> Interestingly, Amnesty prefers to use the term „cooperation“. In this thesis I stick to the conventional language.



### 1.3 The actors

#### *The NGO*

Nongovernmental organizations are usually defined as “private, not-for-profit organizations that aim to serve particular societal interests by focusing on advocacy and/or operational efforts on social, political and economic goals, including equity, education, health, environmental protection, and human rights”.<sup>12</sup> Statistics indicate an increase of 450 per cent in the number of international NGOs from 1990 until 2000.<sup>13</sup> Both in number, size, visibility and influence they are growing at a rapid pace.<sup>14</sup> Their campaigns target an unlimited range of societal causes, such as human rights abuse, environmental destruction, health care deficits, and hunger. Accordingly, they have grown to become central actors in the political, economic, social and business fields both domestically and globally.<sup>15</sup>

#### *The Multinational Corporation*

As discussed by Kinley, “corporations are extremely powerful players in the global economy and thereby have very significant direct and indirect effects on our social and individual welfare.”<sup>16</sup> MNCs especially can have a big negative impact on human rights. In today’s globalized world, MNCs are met with a variety of challenges in entering foreign developing countries. Amongst other things, they are faced with problems of adapting their business to culture, economics, institutional frameworks and geography. In meeting these challenges the MNCs might choose to start collaborations with NGOs who can contribute with both knowledge and resources.<sup>17</sup>

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<sup>12</sup> Teegen, Doh, & Vachani(2004)p.466.

<sup>13</sup> Yaziji(2004).

<sup>14</sup> Doh and Teegen(2003)p.81.

<sup>15</sup> Yaziji and Doh(2009): p.xiii.

<sup>16</sup> Kinley(2009)p.164-165

<sup>17</sup> Dahan et al.(2009)p.327.

## 1.4 The UNGPs

The United Nations Guiding Principles were submitted to the UN Human Rights Council by UN Special Representative on Business and Human Rights John Ruggie and were unanimously endorsed in June 2011.<sup>18</sup> The principles are based upon extensive research and consultation and aim to outline what it means for a business to respect human rights and for a State to protect its citizens from corporate human rights abuse. The 31 principles are spread between three pillars; a state's duty to protect human rights, the corporate responsibility to respect human rights, and access to remedy – the last pillar concerning both the State and corporations. As the Guiding Principles are non-binding, a UN working group was set up to work on methods of implementation. The UNGPs are provisions guiding corporations in how to make sure they respect human rights in all their operations – both at home and abroad. They are meant to cover all sectors and sizes and therefore remain rather general and vague on some aspects. Yet, they are more concrete and instructive than what has been available before.

Although they are not directly binding on corporations or on States, most States are already bound to protect their citizens from third party human rights abuses through a range of human rights treaties.<sup>19</sup> Subsequently, several States have or are under the process of developing national actions plans in relation to the UNGPs. The corporations on the other side are not legally bound, but several companies are making an effort to adapt according to them, as they represent the current global human rights and business paradigm.<sup>20</sup> The UNGPs must however be translated, and implemented to fit the particular company in a way where profit is not overruled. Only then will businesses make the decision to change their conduct and assess their human rights impact. One problem is, however, that even with the UNGPs and plenty of other standards and tools, most businesses lack knowledge on how to make this work in reality. Here, human rights NGOs can be of great assistance to the corporation.

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<sup>18</sup> UNGPs,(2011).

<sup>19</sup> UN Human Right Council 11/3 (15 May 2009).

<sup>20</sup> Apter(2013)p.22.

Even though there is no specific mention of corporate NGO *partnerships* as such, the role of the NGOs in business and human rights is most *explicitly* stated in the UNGPs. This is perhaps most clear in the commentary of paragraph 18. Here, it is stated that in order for a company to assess their human rights impacts in a satisfactory way, they must take effort to understand concerns of all stakeholders. In doing so, consulting human rights defenders and civil society is recommended as a good alternative when turning directly to affected stakeholders is not effective. The UNGPs thus point to human rights NGOs as useful sources of assistance and expert help in assessing corporate human rights impact.<sup>21</sup> NGOs are also mentioned in several other contexts. The Guidelines constantly recommend consulting with experts for advice on how to respond to complex human rights situations and for feedback on their effective response to human rights impact.<sup>22</sup>

Drawing on a simple analysis of the UNGP document, I suggest that collaboration with human rights organizations is a part of what is expected of a human rights respecting corporation. Both in policy writing and personnel training (para 16), risk analysis work (para 18), response to complex human rights implicating situations (para 19 and 23), human rights impact assessments (para 20), and reporting (para 21), the Guidelines encourage businesses to consult with civil society and human rights experts. It is made clear that the level of expertise required to assist the different tasks will vary with the size and type of operations the company practices. For corporations handling complex operations with large potential of human rights impact, it is strongly advised to consult external experts and civil society, in addition to other actors such as national human rights institutions, the government and relevant multi-stakeholder initiatives.<sup>23</sup>

This thesis takes off from the above text analysis as it studies companies who have indeed taken the assistance of human rights organizations in working on complex human rights

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<sup>21</sup> UNGPs(2011)para 18 commentary.

<sup>22</sup> UNGPs(2011)para 16, 19, 20 and 23.

<sup>23</sup> UNGPs(2011)para 23.

situations, policy writing, risk analysis, impact assessments and reporting. I wish thereby to give a picture of how helpful such recommended consulting can be for a multinational corporation working to heighten its human rights focus and compliance.

## **1.5 Outline**

The following chapter will draw a theoretical framework as the basis for data analysis. The third chapter will give an account of the methodology used for the thesis. In chapter four the empirical findings will be presented in order of three phases of a partnership; initiation, execution and achievements. In chapter five, I then give a final analysis with regards to the research questions and issue some additional observations, before I finally conclude.

## 2 Theoretical Framework

In this chapter I explore my reading of the literature in terms of motivation for entering a partnership, preconditions of an effective collaboration and the possible outcomes of corporate NGO partnerships. I will later draw on these findings in my analysis of the case studies. As a start, I take a look at a few of the factors that have pushed for and enabled the emergence of partnerships between businesses and NGOs. In doing so, I seek out the context in which to appreciate these collaborations.

### 2.1 Enabling factors

As pointed out by Surya Deva, globalization has had a significant impact on the human rights landscape and dynamics.<sup>24</sup> Simultaneously it has altered the role of the state, the private sector and civil society. Along with the alteration came a transfer of power from the government to the private sector.<sup>25</sup> Cheryl Rodgers indicates three globalization trends which led to the change in these societal roles:

- Deregulation of private sector by the government, and an increased focus on voluntarism in new regulation.
- Freer world trade. In the international market there is a low degree of regulatory authority as it operates at a supra-state level.
- Growing size and influence of MNCs. Large corporations report turnover levels higher than the GNP of some countries. This affects the balance of power, often seen in cases where “western” companies are situated in developing countries.<sup>26</sup>

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<sup>24</sup> Deva(2012)chapter 1.

<sup>25</sup> Rodgers(2000)p. 42.

<sup>26</sup> Rodgers(2000)p. 43.

Rodgers argues that the subsequent declining trust in the state's effectiveness in managing issues of public concern results in an upswing in the expectations of corporations to accept responsibility.

### *Legitimacy and Extended Stakeholder Management*

In support of this, the rise in interest around corporate social responsibility (CSR) in the 1990s, and the increased work on business's human rights responsibility the following decade, signals a noteworthy change in the apparent role of business in today's world. Rodgers argues that the changing role of the corporation, together with the decrease in state power over the activities of corporates, has meant that large MNCs especially, are seeking new ways of situating themselves and defending their role in society.<sup>27</sup> They are, as she puts it, "facing a crisis in terms of being able to legitimize their operations and their behavior".<sup>28</sup> Legitimacy can be defined as "a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs, and definitions."<sup>29</sup> Corporate legitimacy might earlier, for the most part, have been set by the State. However, this is no longer so. Consequently, in effort to minimize the risks of gaining a bad reputation, companies seek approval amongst their stakeholders. As one of their main stakeholder groups are NGOs, the NGO's significance as a stakeholder has naturally augmented - something which meant a big change in the relationship between many corporations and NGOs.<sup>30</sup> If the position of an NGO is typical of other stakeholders or perhaps can affect the position of other stakeholders, it is not surprising that a corporation seeks a closer involvement with that NGO.<sup>31</sup> In some cases, this can lead to the formation of a strategic alliance between the two.<sup>32</sup>

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<sup>27</sup> Rodgers(2000); confer also Newell(2000).

<sup>28</sup> Rodgers(2000)p.40.

<sup>29</sup> Suchman(1995)p.574.

<sup>30</sup> Rodgers(2000)p. 41.

<sup>31</sup> NGOs are often responsive to the public (the customers and clients of the company), or they may form the opinion of customers and clients in a reflexive process.

<sup>32</sup> Rodgers(2000)p. 41.

## 2.2 Business motivation

Looking further into a business's attraction to a collaborative relationship with an NGO, it can be useful to highlight Yaziji and Doh's argumentation. They specifically point to 4 strengths of the NGO which can be very useful to a company; legitimacy, distinct networks, awareness of social forces and specialized technical expertise. These strengths are discussed further as follows:

The first strength has already been discussed in section 2.1; the public generally find NGO's more credible than a profit-making company. Hence the association with a well-respected NGO will make a company look more legitimate to the public as well as to other stakeholders. Second, Yaziji and Doh argue that an NGO will usually have quite distinct networks, different from those of a corporation. Most corporation networks consist for the most part of actors who would all belong in Michael Porter's model of five forces: buyers, suppliers, competing firms, new entrants and substitute producers.<sup>33</sup> The NGO networks look different. An NGO is able to provide the company with several other valuable dialogue partners, informants, advisors and experts from, for example, other country offices, other NGOs, donors, legislators and public interest lobbyists. As NGOs are often lacking both resources and size, it is increasingly important for them to form alliances with other civil society organizations etc. Hence a company will, by partnering up with an NGO, get access to a wide network.<sup>34</sup>

An NGO further offers a degree of awareness of social forces. Very often NGOs depend on, and constantly work to influence, people's concerns and interests in injustice and moral issues. Their information about different trends and waves in consumer concern can naturally be highly valuable to the company, which can then change its production or operation in line with such movements in good time. As a last attractive strength, Yaziji and Doh point to the NGOs specialized technical expertise. NGOs are not all young and naive ideal-

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<sup>33</sup> Porter(2008)p.86-104.

<sup>34</sup> Yaziji and Doh(2009)p.127-128.

ists, Yaziji and Doh hold. They are often full of lawyers, policy analysts and scientists. NGOs are usually internationally related and have people who have specialized in specific fields or countries that may be interesting to the company, and who stay updated on developments the company may not have picked up on. Experts at the NGO can thus be full of knowledge and information that the company lacks internally.<sup>35</sup>

### **2.3 NGO motivation**

The following section regards NGOs' growing interest in cooperating with businesses. For this consideration, one might see the marketplace as offering NGOs two separate opportunities for reaching their goals:

- 1) Engagement with business to fund traditional and general NGO activities.
- 2) Engagement with business in effort to influence and change corporate values and behavior.<sup>36</sup>

As argued by Steven W. Percy, former CEO at BP, when commenting on their experience with NGO partnerships; every NGO wants to have an impact on the situation of today's world. Whether it is with respect to human rights, the environment, or politics etc., they wish to make a difference. That impact can be achieved in several ways; increasing consumer awareness or lobbying for public policy change for example. Amongst these you also find influencing and changing corporate behavior. Percy holds that as corporations are such large and strong actors in society and on the global arena, NGOs view the potential positive effects of changing the corporate climate as substantial.<sup>37</sup> Thus, NGOs are starting to think differently and perhaps more strategically about their ways of influence.

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<sup>35</sup> Ibid.

<sup>36</sup> Shah(2001)p. 46.

<sup>37</sup> Percy(2010)p. 228.



Money is also an important motivator for NGOs. According to Brown and Kalegaonkar, material resource scarcity is one of the main problems of NGOs.<sup>38</sup> In a time of declining support from the government, or declining membership, partnerships with the private sector can be a solution.<sup>39</sup> Accordingly, Parker claims that funding is usually the main reason NGOs enter into partnership with a corporation.<sup>40</sup> This is, however, a debated topic. Rondinelli and London find that financial resources are indeed not the most important motivator.<sup>41</sup> Nevertheless, funding is clearly an important aspect, even if changing corporate behavior is the primary motivation. This is also illustrated by C&E's<sup>42</sup> partnership barometer based on the experiences of 130 corporations and NGOs who completed a confidential survey in July 2014. The full 95 % of the participating NGOs stated access to funds as a reason they engaged in a corporate NGO partnership. Nonetheless, the survey shows that in addition to the obvious incentive of funds, NGOs are motivated by the possibility of a collaboration issuing stronger influence on corporate behavior than what they have criticizing from the outside. The C&E barometer shows high scores on access to people and contact, as well as innovation. 71 % stated long-term stability and impact as a reason for this type of engagement.<sup>43</sup>

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<sup>38</sup> Of course this will vary across countries with different political and economic systems.

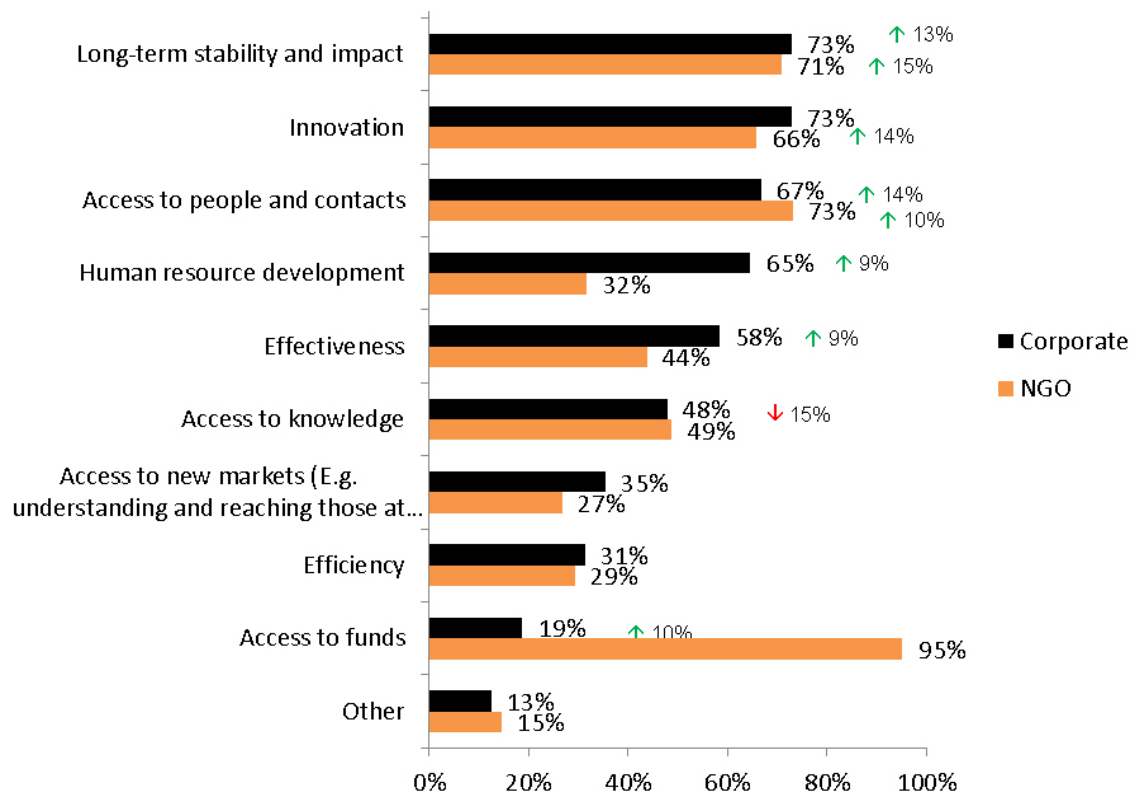
<sup>39</sup> Brown and Kalegaonkar(2002)pp. 231-258.

<sup>40</sup> Parker(2003)p. 91.

<sup>41</sup> Rondinelli and London(2003).

<sup>42</sup> An international cross-sector "business and society" consultancy.

<sup>43</sup> C&E(2014).



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## 2.4 Obstacles and success factors

After having explored the opportunities offered in working with the “others”, the challenges that arise in partnering with them must also be considered. The following aspects are cited as decisive for successful performance in partnership literature.

### *Trust and understanding*

Rani Parker issues a prescription for good relations between NGOs and business. Firstly, she lists, there has to be effort to build mutual trust. A lack of trust in the partner organization leaves the partnership hopeless. Yet, building trust can be challenging in a partnership where the actors come from entirely different cultures both organizationally and ideologically.<sup>45</sup> Hence what is especially important in order to build trust, Parker claims, is that the NGO accepts, and in some way understands, how the corporate world is motivated by prof-

<sup>44</sup> C&E(2014).

<sup>45</sup> Dahan et al.(2010).

it. Hence, understanding the other actor becomes important.<sup>46</sup> As argued by Murphy and Coleman, “(t)he partners need to acknowledge each other’s differences and work with them and against them simultaneously.”<sup>47</sup>

For a cross-sector partnership to work, Parker and Selsky claim there has to be perceived mutual dependencies, as well as perceived strategic interdependence. They also recommend a level of common experience. This is often the most lacking and difficult prescription between profits and non-profits and relates to Parkers point about accepting the corporations profit motivation.<sup>48</sup> A human rights NGO’s reach for justice and equality is easily seen as conflicting with a company’s reach for money, hence “(t)he paradox of business-civil society partnerships is inevitable given that it brings together the apparently competing agendas of business and NGOs.”<sup>49</sup> Shirley Buzzard makes it clear however that respecting one’s partner’s perspective might very well get easier after a time of shared activities, and is thus not necessarily essential at the entrance of the partnership. Working in close quarters, she claims, often makes it difficult to keep prejudices or to ignore the humanity of the others.<sup>50</sup>

#### *Communication and knowledge sharing*

As one of the key motivations for entering a strategic partnership is sharing of information and knowledge, interaction and communication is vital for a well-functioning partnership. The significance of knowledge sharing mechanisms is made clear by Kale, Dyer and Singh, who establish how experience in partnership work and structures for circulating knowledge will produce a more successful partnership.<sup>51</sup> Further, open and frequent communication,

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<sup>46</sup> Parker(2003)p. 102.

<sup>47</sup> Murphy and Coleman(2000)p. 212.

<sup>48</sup> Parker and Selsky.(2005).

<sup>49</sup> Murphy and Coleman(2000)p. 212.

<sup>50</sup> Buzzard(1999).

<sup>51</sup> Kale, Dyer and Singh(2002).

where disagreements and differences are discussed, is named in partnership literature as helpful to avoid pitfalls and strengthen the collaboration.<sup>52</sup>

#### *Top management commitment*

The commitment of the company's top management is also central. The top management engagement influences how the partnership is understood and authorized throughout the company. By underlining the long-term strategic value of the partnership, they can anchor both appreciation and motivation for it within the company. Therefore, top management involvement is especially important for ensuring sustainability of a partnership. It is further also important for building trust between the partners. A top-management's display of commitment will increase the partnering organization's trust in the company's intention and will.<sup>53</sup>

#### *NGO integrity*

A common worry in civil society is the risk of the NGO compromising itself in a business collaboration; that it may be "manipulated" by large corporates or "captured" by their funding. Legitimacy and public trust are some of the NGO's most valuable assets. It is essential for the organization in terms of continued sponsoring, membership and support. Therefore it is of course crucial for the NGO that a partnership with a company does not harm its integrity.<sup>54</sup> For the company, paying an NGO for silence may seem like a perfect deal. Yet, a situation where the NGO is in practice being paid to keep its mouth shut can really be undesirable for both actors. As argued by Rodgers, it is in the interest of both partners to avoid an "NGO capture". If the interests and principles of the NGO are compromised, it may harm the way the public views the organization and the organization may lose its integrity as a public watch dog. The NGO will then no longer be able to confer legitimacy for the corporation through their partnership. Taking steps to enable the NGO to balance be-

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<sup>52</sup> Berger, Cunningham and Drumwright(2006).

<sup>53</sup> Austin(2000).

<sup>54</sup> Heap(2000).

tween its role as an ally and a watchdog – critically examining the company’s actions, is therefore necessary for escaping such a risk.<sup>55</sup>

Furthermore, it is important to avoid that the partnership is in effect greenwashing the company and its activities. Greenwashing is described by Laufer as simple image building and wrongful information around a company’s operations in order to be perceived as a good company, whilst not actually being one. Several companies spend more money on being perceived as a “green” company, than on actually being environmentally friendly.<sup>56</sup> A situation like this would risk undermining the NGO and its work. It can also hurt the company’s reputation through stakeholder response or the media.<sup>57</sup> Greenwashing can occur in relation to corporate human rights responsibility and is then sometimes termed bluewashing, when related to misuse of the UN’s reputation.<sup>58</sup> In a partnership with a human rights organization, there is a risk that the company uses the partnership in order to promote a good reputation. If the NGO lets a company use its name to hide behind, in all likelihood, the NGO’s credibility will weaken. If in truth the company is doing little to better its human rights impact, the NGO could be perceived as easily bought, unprincipled and weak.

### *Cultural compatibility*

In an article on corporate-NGO collaboration in developing markets, Dahan, Doh, Oetzel and Yaziji present two success factors for long-term corporate NGO alliances which deal with internal issues of the collaboration. They highlight “organizational fit, cultural compatibility and trust” as critical for a successful and sustainable partnership.<sup>59</sup> Strong differences in organizational culture can lead to failure, regardless of how well the partners fit together strategically and in relation to resource complementarity. The authors additionally

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<sup>55</sup> Rodgers(2000)p. 47; Argenti(2004).

<sup>56</sup> Laufer(2003).

<sup>57</sup> Yaziji(2004).

<sup>58</sup> Laufer(2003)p. 255.

<sup>59</sup> Dahan et al.(2010)p.336.

argue that companies should, for the partnership to be successful, make effort to exploit the full number of contributions the NGO has to offer.<sup>60</sup>

## **2.5 A powerful tool for change?**

According to Murphy and Coleman, “partnerships have the potential to bring together people and organizations to change the way business works and potentially transform society in the process.”<sup>61</sup> To find a clear change in business and “transformation of society” from human rights partnerships is complex. Human rights impact is hard to define and even harder to measure.<sup>62</sup> However it is clear that making companies respect human rights throughout their operations will have significant positive bearing. Although corporate human rights violation is in no way a new phenomenon, the power and position of corporations in today’s globalized world has presented them with increased “opportunity” to violate human rights. Acting by itself, or in collusion with the State or other actors, corporations threaten a variety of human rights all over the world. The impact of their business can affect not only their main stakeholders, but also a larger neighboring community or even a whole people.<sup>63</sup> In consistency with the history of human rights, corporate violations have been addressed by international human rights law as a part of State obligation to protect individuals from human rights abuse. Through a range of human right treaties States are obligated to protect their citizens from human rights abuse by companies and other third parties.<sup>64</sup> Even so, this regulatory approach has proved strongly inadequate and companies remain unaccountable for their actions.<sup>65</sup> As the world is still without an effective regulatory system for holding corporations accountable for human rights violations, it is interesting to measure the effect of voluntary initiatives and current soft law regarding the issue.

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<sup>60</sup> Ibid.

<sup>61</sup> Murphy and Coleman(2000)p. 215.

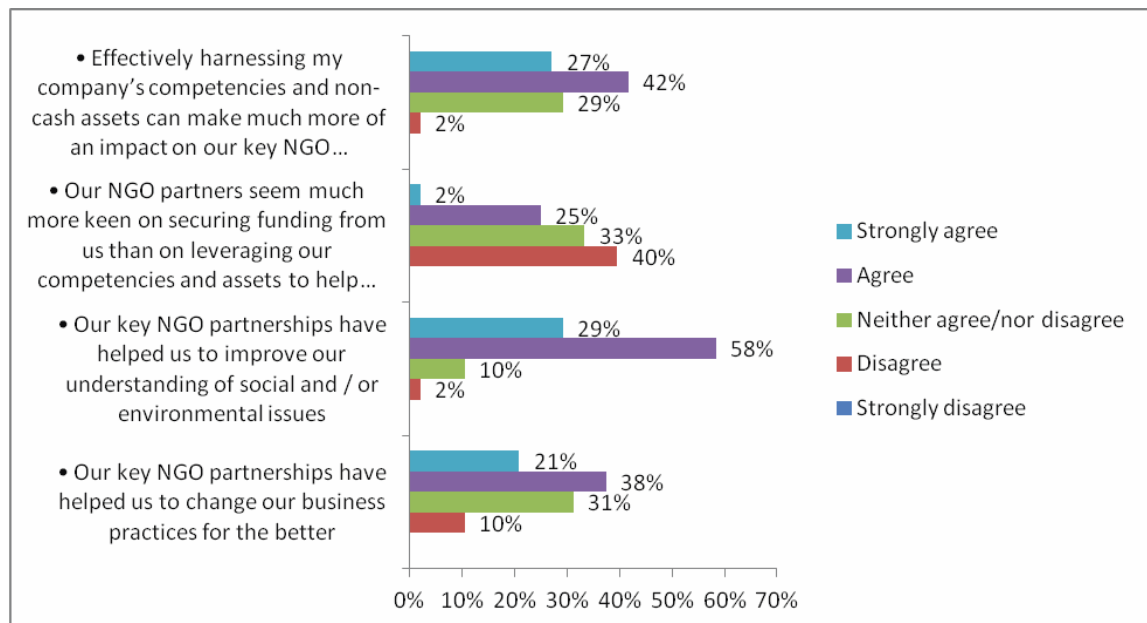
<sup>62</sup> de Felice(2015).

<sup>63</sup> Deva(2012)p. 3.

<sup>64</sup> UN Human Right Council 11/3 (15 May 2009).

<sup>65</sup> Deva(2012)p. 7; chapter 4.

In its 2014 partnership barometer, C&E found that 87% of the participating corporations held that their key NGO partnership had improved the company's understanding of social and environmental issues. More interestingly, the barometer revealed that 59% of companies agreed "their key NGO partnership ha[d] helped their company to change their practices for the better".<sup>66</sup> Notably this score has grown rapidly with a 14% year on year increase, showing a great move towards closer, more strategic and innovative partnerships.<sup>67</sup> Of course, these numbers are based on answers from the corporations themselves, hence there is room for scepticism and concern for them thinking more of themselves than what is true. Neither do we know what exactly the "change for the better" consists of or how big these changes have been. Still, the C&E partnership barometer gives reason to believe that more and more partnering NGOs are actually supporting positive changes in corporate behavior.



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<sup>66</sup> C&E(2014)p. 5.

<sup>67</sup> Note that these statistics monitor several types of corporate NGO partnerships and that the numbers might have been different had it concerned human rights collaborations exclusively.

<sup>68</sup> C&E(2014).

## **2.6 Summing up**

According to literature on corporate NGO collaboration, there are a range of benefits to entering into a partnership together, for both companies and NGOs. Such collaboration is still rather controversial with regards to the integrity of the NGO and the success of the partnership depends on a range of factors being in place. Yet, theoretical literature leaves the understanding that strategic partnerships between companies and human rights organizations can help both actors achieve something they would not be able to achieve alone.

In presenting the research data I will analyze these theoretical findings by looking at the data through three phases of their partnership operation, each related to my three research questions. In the first phase I analyze why the actors got involved in a human rights collaborations by looking at the companies' human rights commitment and top management involvement as discussed above. For the NGOs, I look at scepticism towards their involvement with companies, and in the end both actors' reasons for entering the specific partnership in question. In phase two, which is related to the second research question on how the partnerships work, I focus on what is experienced as challenging and what they recognize as important for the partnership to thrive, how NGO integrity is protected and how the partners use the UNGPs. In the third and final phase, I analyze the outcome and corporate behavioral change by viewing how the partners have influenced each other, what external influence the partnerships have had, and finally, the added value of their collaboration.



### 3 Methodology

In this chapter the research design and data collection methods of the thesis will be presented. The aim of the chapter is to clarify how the later presented research on corporate partnerships with human rights organizations has been conducted. I will start by explaining my reasons for the chosen research design, then I will illustrate how the partnership cases were selected, followed by a description of the process of data collection and analysis. Finally, I will point out some challenges and limitations to the research approach.

#### 3.1 Qualitative, multiple case studies

The research method I have used for this thesis is a qualitative multiple-case study. Qualitative methods are specifically useful when studying complex phenomenon such as collaborations between for-profits and non-profits on human rights compliance.<sup>69</sup> Qualitative research can lend a deeper understanding of how partnerships work and in what way they are changing the behaviour of the actors involved. Understanding such things requires the freedom and flexibility which qualitative research offers, especially since previous research on the topic of partnerships between companies and human rights organizations is limited. Furthermore, my research questions demand an empirical inquiry which “investigates a contemporary phenomenon in depth and within its real-life context”.<sup>70</sup> The case study approach is, according to Yin, a good approach when searching for answers to *why* and *how* a phenomenon is occurring.<sup>71</sup> As discussed in the introductory chapter, strategic partnerships between NGOs and companies is a current phenomenon which raises curiosity with regards to precisely *why* the actors choose to engage with each other in this manner, and also to *how* the collaboration is realized. My third research question of “to what degree a partner-

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<sup>69</sup> Neergaard et al(2009).

<sup>70</sup> Yin(2009)p.18.

<sup>71</sup> Ibid.

ship can be effective in changing corporate behaviour?” can also be met from this approach, as a qualitative case study provides enough insight to the results of the different collaborations for me to paint a picture of corporate behavioural change and hopefully also the role and relevance of the partnership in causing this change.

I chose to do a multiple case-study as I wanted to learn from different cases and experiences. Studying three different companies in similar positions, rather than one, helped me broaden my information and evidence base. This way, I could look at differences and similarities, which enabled a small non-systematic comparative analysis that made it easier to identify possible links between specific factors and results. On this basis a qualitative multiple case study approach was calculated as the preferred method to effectively respond to my set of research questions.

### **3.2 Selection and generalizability**

When selecting which corporate actors to approach in my research, my hope was to find a few rather large corporations, with operations in different countries around the world, but with their head office in a Nordic country. First and foremost the companies needed to be engaged in a partnership with a non-profit human rights organisation. Other pre-conditions were that they should have had a public commitment to human rights for a long time, and have started work on UNGP compliance. Hydro, Company-A and Stora Enso all fit with these requirements. Regrettably, Company A did not agree to be interviewed with their company name on the record and has therefore been anonymized. This is in itself an interesting observation, particularly in comparison with the other two companies who remained open about their conduct. Moreover, it affirms that this is sensitive research.<sup>72</sup>

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<sup>72</sup> This demand about anonymity came very late in the process of drafting the thesis, and anonymity was the only realistic option for me to keep the data in the analysis. This should not, however, hamper the reliability of the data nor the analysis and inferences of my research.

As my focus point evolved around understanding *if* and *how* cross-sector partnerships could be effective in changing corporate behaviour in respect to human rights compliance, my interest lied with reviewing partnerships that were indeed doing this kind of strategic work. Hence, I only intended to look at a sample of partnerships to illustrate what type of effect strategic human rights partnerships **can** have. As such, my research is not meant to show what effect corporate NGO partnerships **are** having on corporate human rights compliance in general. It will, however, be useful for State actors, NGOs and companies interested in how strategic human rights partnerships work, what its challenges and benefits can be, and what it could help them accomplish in terms of human rights compliance and other prospective achievements. I was also able to find companies which were all partly state-owned, something which enabled me to shed a small light on the State's involvement in their human rights compliance commitment.

When it comes to characteristics for the non-profits, I firstly required organizations who were engaged with human rights specifically. I also wanted to speak with actors who had real experience with corporate engagement and thus found organizations that had collaborated with companies for more than 10 years. Speaking with human rights organizations with experience in the field of corporate collaborations also gave me insight to the controversy around corporate engagement within civil society. Longer experience further meant a better reflection on challenges as well as benefits with corporate engagement.

Except for their status as “early birds” in the field of corporate engagement, the two non-profits I selected were very different. Amnesty International is a strong advocacy NGO with a long history of human rights activism. In both Norway and the rest of the world the NGO has been active in the fight against human rights violations by corporate actors through public scrutiny and campaigns. Yet, in Norway, Amnesty was one of the first human rights actors to engage in dialogue and collaboration with large corporations. Hence, the NGO was considered a very interesting fit for my research. The Danish Institute for Human Rights (DIHR) on the other hand is a national human rights institution with a legal mandate to work with companies. The Danish Institute is not a non-governmental organiza-

tion. However, it is independent, not-for-profit, and it works with the goal of improving human rights strength, not to make money.<sup>73</sup> The special role of the DIHR clearly makes it different from an NGO in some aspects, such as funding. However just as NGOs, national human rights institutions have experienced a change in the common approach to corporate actors. They also inhabit all of the above mentioned NGO resources; legitimacy, awareness of social forces, distinct networks and specialized technical expertise.<sup>74</sup> Consequently, I evaluated that this would not impact my analysis, and the DIHR was considered to still fit for my research on strategic partnerships.

The thesis research is based on the perspectives of 3 companies; Company-A, Hydro and Stora Enso, and two not-for-profit human rights organisations; Amnesty and DIHR. Because of limited time and resources, the object is not to deliver a representative or comprehensive study of partnerships between human rights organizations and Nordic multinationals. Rather, the aim has been to learn more about such strategic partnerships by digging into a selected few. The selection, which is described by Yin as critical for the generalisability and replicability of multiple case study research, is hence more lenient in this thesis.<sup>75</sup>

### **3.3 Interviews and analysis**

According to Bryman, the interview is the most commonly used method when building qualitative research. The interview offers a flexibility that is often vital for qualitative research.<sup>76</sup> I chose semi-structured interviewing because of its capacity to give insight to the interviewees' own perspectives and thoughts about partnerships. Some structure was still necessary, in order to enable a level of cross-case comparability as I was doing a multiple-case study.<sup>77</sup> The semi-structure of my approach meant that the themes of the interview were decided in advance and were fixed in an interview guide, but that the format of the

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<sup>73</sup> See The Paris Principles, UN General Assembly Resolution 48/134.

<sup>74</sup> Yaziji(2004).

<sup>75</sup> Yin(2009).

<sup>76</sup> Bryman(2008)p.436.

<sup>77</sup> Bryman(2008)p.440.

questions, and their order, was influenced by the natural flow and way of the conversation. The flexibility this approach gave me was important in order to stay open for which considerations were most relevant to the interviewees. It was not fully clear what topics would be of most importance in their perspective, especially because the thesis topic is previously little researched. I also sought to stay receptive to any surprises or important aspects that I had not yet considered.

The interview guide was sectioned in three parts; initiation, execution and achievements. Hence, it started with questions involving the actor's motivation to enter a strategic human rights partnership. The middle part concerned issues such as specific projects within the partnership, their position with regard to the UNGPs, level of contact and challenges. In the final part I asked about the influence and added value of the partnership. The interview guide was by request sent to most of the interviewees beforehand. Mainly, I made two versions; one for the human rights organizations and one for the companies. However they were lightly altered to the individual participants when there were specific issues I wanted to bring up that was only relevant for one specific partnership. In addition to gathering information about the partnerships in question, other collaborations and experiences were also briefly addressed, both with the organizations and the companies. This enabled me to get a clearer picture of the role of the relevant partnership, the degree to which it was representative, and the actor's general approach to cross-sector collaboration.

All interviews were conducted in person, except one which was done by telephone. The representatives were all the ones responsible for the relevant partnership contact within their organization. Except for the representative at Company-A, who was rather newly employed (but very up to date on the subject), they had all also been closely involved in the partnership since the start of the collaborations. Naturally, this meant that the representatives I met from the companies were working in the global responsibility/corporate social responsibility department. Hence I was often indeed talking to people who had a lot of understanding for why human rights is an important agenda for a company to work on, either because they had a background, education or passion which supports that, or because the

company has put them in such a role as they became aware of their need to address the issue. The research might not therefore be fully representative of the top management understanding or the firm in general. However, as my point of interest was the partnership engagement, it was important to talk to the people with the most insight into, information about, and experience from the partnerships.

The interviews were held from March to early April at the organization/company offices. Each representative was interviewed separately and in random order. On average, the interviews lasted for about an hour and were all tape recorded and fully transcribed. The recorder enabled me to be more alert to what was being said and follow up on things, as I was not distracted by having to constantly take notes.<sup>78</sup> I did all transcriptions myself, something which I found very beneficial. I was then forced to look very closely at the data, and started already then to notice links to theory, similarities and differences between the different actors, and identifying important themes or discoveries.<sup>79</sup> The transcriptions were read through and separated into categories from the interview guide, plus a few other themes that had come up in the interviews. Meaning condensation and categorisation is important to best enable a good analysis and helped me achieve a better overview of the data for comparison and interpretation. It is however also important to ensure that one is not pre-determining perspectives too early on in the process, or taking statements out of their narrative context.<sup>80</sup> I was therefore careful when coding and categorizing the material to not be selective or miss out on important context. Throughout the process, I was also continuously reading relevant theoretical material, and considering it in relation to the interview findings as a part of the data analysis.

The interviews were my main source of information for the case studies. Still, particularly in the process of preparing the interview guides, I also used secondary information from the subjects' websites, annual reports and media articles. As recognised by Yin, this secondary

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<sup>78</sup> Bryman(2008)p.451.

<sup>79</sup> Ibid. p.456.

<sup>80</sup> Ibid. p.553.

information can offer more depth to the interview.<sup>81</sup> The more pre-knowledge I had before an interview, the better I could fully understand the answers I was given and respond with relevant follow-up questions. On the other hand, it was important to ensure the interviews weren't influenced by what I was indeed expecting to find. A researcher will very often unconsciously, have a set of understandings which will, to some degree, influence how the interview is both directed and analysed. Being aware of this risk is essential. Thus, I took great care in asking quite open questions, and not to lead the interviewee in any specific direction. In preparation I, amongst other things, read Kvale's list of criteria of a successful interviewer, and tried to keep these in mind during the meetings.<sup>82</sup> Kvale emphasises that the interviewer should be clear and steering. In particular, I noted also the need to be gentle and sensitive; to listen, let people finish and be empathetic in dealing with the interviewee.

Following a presentation of the different partners and partnerships, the research is presented in the course of three chapters covering the three phases; initiation, execution and achievements, each linked to my three research questions. The phases are each divided in a few subsections where the data is presented firstly in a descriptive manner, then analysed in a short summary. Thus, the partakers' views and experiences are outlined first without interference from theory or analysis. As I wanted to let the people who really know this field speak for themselves, I've also included several direct quotes. At the end the data analysis is connected to my research questions in a final analysis. I chose this manner of presentation in order to allow a good understanding of the motivation for, the conduction of and effect of the separate partnerships. It also enabled me to highlight what was my analysis and my own understanding of these factors and what was not.

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<sup>81</sup> Yin(2009).

<sup>82</sup> Kvale(1996).

### 3.4 Limitations and challenges

When using interviews as the main source of information it is very important to consider the risk that the interviewees might be affected by the presence of the researcher. I met them as a student of human rights, hence one could assume the actors would be interested in presenting their company or organization in the most favourable light. For instance, a company might express higher value outcome than what is actually true. Equally, an NGO could portrait the partnership as more successful due to a need for continued financial contributions or to preserve a strong reputation with respect to their work. These issues are unavoidable. It is worth noting though that the participants agreed to meet for the interview voluntarily, and thus, perhaps, did not feel they had too much to hide.

Due to confidentiality of certain information, I intentionally did not include insight to any of the direct contracts between the partners, even though such information would be significantly valuable for my research. Instead, some of this information was discussed by the representatives in the interviews. Along with the non-profits' principles of corporate engagement, they therefore give an indirect insight to the partnership contracts and should make up for some of the loss.<sup>83</sup>

It is further important to note that the result of this thesis will naturally be coloured by random and subjective choices. My previous knowledge and opinions, choice of actors, their availability and my choice of questions will of course all influence the look of the final result. As identified by Stake, "what is necessary for an understanding of the case will be decided by the researcher. It may be the case's own story, but it is the researcher's dressing of the story".<sup>84</sup> Knowing this, it is therefore necessary to stress that even though all interviewees were sent a quote check, how each case is presented and analysed, is my interpretation of the data assembled through interviews, secondary sources, and theory. That hav-

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<sup>83</sup> See DIHR(December 2012); Eriksrud(24 October 2011).

<sup>84</sup> Stake(1994)p.240.



ing been said, the greatest care has been taken to avoid presenting facts out of their context or misinterpret any given information.

## 4 Empirical Analysis of Partnership Cases

### 4.1 Short descriptions of the actors

#### 4.1.1 Amnesty International

Amnesty International is one of the world's leading human rights NGOs. It started up in the UK in 1961 and now has more than 7 million members and supporters worldwide. The organization investigates and exposes facts on human rights violations, and campaign for change and "for a world where human rights are enjoyed by all". Part of their work is to lobby governments and other strong actors, mobilize supporters by exposing powerful stories of injustice, and promote claims for human rights through training and tion.<sup>85</sup> Amnesty Norway is the Norwegian branch of the organization and the actor relevant to this thesis.<sup>86</sup>

#### 4.1.2 Danish Institute for Human Rights (DIHR)

The Danish Institute for Human Rights is Denmark's national human rights institution. It is a non-profit organization and all proceeds go directly to research and other engagements focused on strengthening human rights. They work with human rights both within Denmark and internationally. Their corporate engagement program works with research, tools and corporate collaborations in order to decrease the negative, and increase the positive impact the corporate sector has on human rights. The Danish institute is highly respected and internationally leading on human rights and business, and is one of few national human rights institutions actively engaged with corporate human rights impact. They started collaborat-

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<sup>85</sup> Amnesty International(2015).

<sup>86</sup> Amnesty International in Norway(2015)

ing with corporate actors already in the late 1990s and have had partnerships with a range of big firms.<sup>87</sup>

#### 4.1.3 Hydro

Hydro is a large Norwegian company which was established in 1905 and was one of Norway's first industrial giants. The company has had production in fertilizer, industrial gas, and other commodities. However today, it is an aluminium company with production, sales, and trading activities all through the value chain; bauxite, alumina, production of primary aluminium and rolled products, energy generation and recycling. Their head office is in Norway, but they are present in over 50 countries on all continents, and are especially heavy in Brazil.<sup>88</sup> The company employs over 13000 people and has the Norwegian State as its biggest shareholder with 34, 26 % of the shares.<sup>89</sup>

#### 4.1.4 Company-A

Company-A is an international energy company with oil and gas production operations around the world. Its biggest activities are located on the Norwegian continental shelf. Due to the demand for anonymity, I do not go further into detail on basic information about the company.

#### 4.1.5 Stora Enso

Stora Enso is a Swedish/Finnish company and one of the world biggest forest industry groups. It is a global paper, packaging and forest harvest provider, whose customers belong to everything from packaging to construction to publishing. Their head office is in Finland, but they have significant presence in Sweden, many parts of Europe, Asia and South Amer-

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<sup>87</sup> DIHR website.

<sup>88</sup> Hydro(January 2015)

<sup>89</sup> Hydro(May 2015)

ica. The company has about 27 000 employees in around 35 countries.<sup>90</sup> The Finnish state fund Solidium is the biggest shareholder in the company, with the Swedish Wallenberg family, through their FAM Company, as the second biggest shareholder.<sup>91</sup>

## **4.2 Description of partnerships**

### **4.2.1 Hydro and Amnesty (+DIHR)**

The partnership between Hydro and Amnesty started in 2001 and has continued on since then. Since the beginning, Amnesty has contributed with human rights knowledge and information for Hydro's personnel training. They have opened up for Hydro to use their thematic and country expertise both domestically and from their international secretariat in London. The partners have a yearly meeting where they get up to date on current status and developments.<sup>92</sup> Amnesty also attends other meetings at Hydro to supply knowledge and guidance on specific thematic issues, country situations or supply chain challenges, and gain insight into the company's decision processes.<sup>93</sup> Hydro also used Amnesty to review their human rights policy paper.<sup>94</sup> Amnesty attends Hydro's "Leadership Fundamentals" which takes place a few times a year and gathers leaders and middle leaders from the entire company group. Amnesty receives yearly financial support from Hydro.<sup>95</sup>

As the partnership has lasted for over 14 years, it is, as expressed by Amnesty, only natural that it has changed since the beginning. For one, the specific human rights focus has increased since 2001.<sup>96</sup> Second, some former needs are not there anymore, which only goes to show that the situation has changed with regards to what understandings and measures have now been put in place at Hydro. "If it hadn't, this whole thing would have been a

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<sup>90</sup> Stora Enso website.

<sup>91</sup> Stora Enso Annual report(2014)p.2.

<sup>92</sup> Interview Hydro, 2015.

<sup>93</sup> Interview Amnesty, 2015.

<sup>94</sup> Interview Hydro, 2015.

<sup>95</sup> Interview Amnesty, 2015.

<sup>96</sup> Interview Hydro, 2015.

complete miss.” Amnesty says.<sup>97</sup> Both Amnesty and Hydro are motivated for the partnership to continue in the future.

Hydro has also engaged with the Danish Institute for Human Rights. The company engaged with DIHR in 2012 in effort to implement the newly released UNGPs. DIHR then performed a human rights risk assessment of the entire company. Amongst other things, the gap analysis pointed to a need for a human rights policy which DIHR then helped develop. The institute has also helped Hydro develop their integrity program and revised their guiding documents. In 2014 the DIHR worked with Hydro again, this time on a specific due diligence project, and went with them to Brazil to do a human rights impact assessment.<sup>98</sup>

#### 4.2.2 Company-A and Amnesty

The partnership agreement between Company-A and Amnesty was signed in 2000, around the same time as Hydro entered their partnership with Amnesty.<sup>99</sup> The agreement’s overarching goal was for Amnesty to increase the level of human rights awareness within the company, aiming to influence their policy and practice out in the field. As with Hydro, the main content of the partnership has been focused around knowledge sharing and human rights training; Amnesty made an internal electronic training tool for the company’s employees, they opened up for Company-A to use their thematic and country expertise, participated at different meetings and have offered their views with regards to the company’s human rights policy, measures, mechanisms and information letters for supply chain.<sup>100</sup>

Through time the partnership has changed in a range of ways. Both the amount of contact and Company-A’s financial support to Amnesty has diminished. At what is described by Company-A as the most thriving period of the collaboration, there was not sufficient capac-

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<sup>97</sup> Interview Amnesty, 2015.

<sup>98</sup> Interview Hydro, 2015.

<sup>99</sup> Eriksrud(24 October 2011).

<sup>100</sup> Ibid.

ity or knowledge within the company around human rights. Today, the situation is rather different, Company-A explains. First of all, they have heightened their internal capacity quite extensively. Secondly, they have recruited several experts and leading consultants who have experience in assisting oil companies with human rights considerations in different countries. “Consequently, we’ve experienced that Amnesty Norway are no longer necessarily able to match the type of coursing that we need” the company explain.<sup>101</sup> Company-A underlines however, that this should most definitely be seen an acknowledgement of Amnesty’s work, and a compliment to them as they were the ones who “got the ball rolling”. Although the partnership is no longer at the level as it used to be, both partners express a willing to continue their collaboration. Company-A are uncertain how much money will be included in the future agreement or exactly what shape it will take. Still, they emphasize that they will always have some sort of relationship with Amnesty.<sup>102</sup>

#### 4.2.3 Stora Enso and Danish Institute for Human Rights

The partnership between Stora Enso and the DIHR started in the very beginning of 2014. In December 2013, Stora Enso made a decision to perform a human rights assessment covering all their industrial operations and forestry operations. This meant approximately more than 90 entities in 22 countries.<sup>103</sup>

The collaboration consisted of three separate, but interlinked parts. The first was a close collaboration on developing a self-assessment tool specific to Stora Enso’s types of operations. For their assessment Stora Enso also used different external help in several areas with heightened human rights risks where the self-assessment would likely not be enough. In Guangxi, this mapping was performed by the DIHR. This was the second part of their co-operation. At the moment, Guangxi is Stora Enso’s most visible and important investment. The third engagement the partners had involved a quality check by DIHR of all the assess-

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<sup>101</sup> Interview Company-A,2015.

<sup>102</sup> Interview Company-A,2015, Interview Amnesty,2015.

<sup>103</sup> Interview Stora Enso,2015.

ments, and a consolidation of all the results into one report which was published in February 2015.<sup>104</sup> DIHR was paid by Stora Enso for their work with Stora Enso's operations. Additionally, as a partner, Stora Enso also agreed to give a certain amount of funds and hours for research on different human rights topics.<sup>105</sup> The partners were in close contact with each other during 2014 as this year was filled with three quite extensive tasks. Since the report on this engagement was published in February 2015, DIHR has attended shareholder meetings and NGO meetings with Stora Enso, and intends to stay in contact even though their main collaboration is finished.<sup>106</sup>

### **4.3 Phase 1 – Initiation**

#### **4.3.1 Human rights commitment**

According to Amnesty, a specific incident in Nigeria in 1995 triggered harsh critique towards present oil companies, such as Company-A, in regards to them not meeting their human rights responsibility.<sup>107</sup> The response at the time was that human rights was the State's responsibility, it was politics, not business.<sup>108</sup> This did however, as expressed by Amnesty, tarnish Company-A's reputation: "To many of them this was probably a wakeup call. They realized that it was not durable, that they couldn't twist themselves out of taking responsibility in this way."<sup>109</sup> With regards to the reasons for their decision to increase human rights capacity, Company-A describes it as a mixture of external pressure and internal need. Company-A acknowledged that they needed to respect human rights and understood that this was a part of their license to operate. "After we went internationally, the risk level changed entirely"<sup>110</sup> Company-A stresses. That taken into consideration, the company further sees the human rights focus as a natural move with regards to their basic company val-

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<sup>104</sup> Interview Stora Enso 2015; see report: DIHR(2015).

<sup>105</sup> Interview DIHR,2015.

<sup>106</sup> Interview DIHR,2015.

<sup>107</sup> See Slydal(21. Sept. 2009).

<sup>108</sup> Interview Company-A,2015, Slydal, Beate. (21. Sept. 2009).

<sup>109</sup> Interview Amnesty,2015.

<sup>110</sup> Interview Company-A,2015.

ues: “It is part of the company’s basic values that we shall have the same values wherever we operate. Hence, when we stepped out of our comfort zone on the Norwegian continental shelf, we had to heighten our capacity in the area of human rights.”<sup>111</sup> The company explains that the situation is certainly completely different today, but that, at the time, one probably didn’t perceive Norwegian continental shelf as an area of high human rights risks.

Hydro also views it as a part of the company culture to follow this development, but do not hide the fact that they are also meeting human rights demands both from business partners, loan institutions and civil society.<sup>112</sup> They also add that the government has been rather keen on having State-owned companies such as them, implement the UNGPs.<sup>113</sup> At the same time, Hydro is motivated for human rights commitment from a risk perspective. They believe that by following the UNGPs and doing things “the right way” in relation to human rights, they minimize the risk of protests, strikes, bad relations to local communities etc. Furthermore, top management and CEO Svein Richard Brandtzæg hope that the company’s total investment on the environment and CSR, will give them a comparative advantage. However, they note, it is difficult to measure this at the bottom line or to see if their customers actually prefer them because of this.<sup>114</sup> Still, although they have yet to experience it, Hydro has several examples of how respecting human rights can also have a direct effect on their economy.

*We work with mining and produce aluminium, and deliver for example to the car industry. We have BMW, Mercedes and Audi etc. as big customers and these actors are more and more concerned with how we behave throughout the supply chain -even what we do in our bauxite mines in Brazil. If they say they don’t want anything to do with com-*

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<sup>111</sup> Interview Company-A,2015.

<sup>112</sup> Hydro received much critique for their involvement in India in the 1990s. Confer Aftenposten, 29 November 1998.

<sup>113</sup> Interview Hydro,2015.

<sup>114</sup> Interview Hydro,2015.



*panies who violate human rights throughout the entire supply chain, and we can document that we don't, this can be a comparative advantage.*<sup>115</sup>

As a different example, Hydro explain how through the last 20-30 years, every water energy generation project in Brazil that they've witnessed has been temporarily stopped at some point, due to local protests. These are million dollar projects and to stop them for a month or two will of course cost the company a large sum of money. Hence by doing things "the right way" one can hopefully avoid a stop like this, which would clearly affect the bottom line.<sup>116</sup>

According to Stora Enso, partial state ownership means more scrutiny from the state and civil society and is therefore described as leading to a better internal understanding of the fact that human rights work needs to be systematic and with adequate resources. This became especially evident in 2013 when eleven international NGOs filed a complaint to the UN Human Rights Council based on Stora Enso's land acquisitions in Guangxi in Southern China.<sup>117</sup> The year before, Stora Enso was awarded Friends of the Earth's "Greenwashing of the year".<sup>118</sup> Stora Enso responded to the allegations and took steps to address the different problems. As a part of this, they made an internal commitment to do a companywide human rights impact assessment December 2013, which further led to their partnership with DIHR.<sup>119</sup>

#### 4.3.1.1 Summary and Analysis

All three companies have had some unpleasant and rough experiences operating abroad, where they've been challenged with regards to what responsibility they are taking in respecting human rights. These challenges seem to have initiated a stronger investment in

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<sup>115</sup> Interview Hydro,2015.

<sup>116</sup> Hydro does not currently have their own energy generation in Brazil. Interview Hydro,2015.

<sup>117</sup> Global Forest Coalition(6. March 2013).

<sup>118</sup> Friends of the Earth Sweden(3. July 2012).

<sup>119</sup> Stora Enso(2013)p.14.

human rights capacity training for Company-A and Hydro in the early 2000s. Company-A's mention of how the human rights risk on the Norwegian continental shelf is regarded in an entirely different way today, points to a change in the company's human rights understanding and behavior, relating to the third research question. For Stora Enso in 2013, there was perhaps a bigger need to locate gaps in their conduct and minimize risk. Hydro points to future benefits of being a "good company" and all companies stress that human rights commitment is a part of their operative culture, and not something they were forced to internalize. This relates to my first research question and shows that the companies' human rights commitment has resulted from a combination of internal need and external triggers.

#### 4.3.2 Top management commitment

With regards to top management involvement, Hydro's CSR push around the millennium, which initiated the Amnesty partnership, came from the top management. The company's general commitment to CSR and human rights is related both to company culture as well as to the will of the top-management by their representative, who cites CEO Brandtzæg in saying "we're doing this because it is right".<sup>120</sup> The CEO himself is an old Amnesty member and was, for example, very involved when Hydro acted as one of Amnesty's biggest supporters during the "TV campaign" in 2013.<sup>121</sup> At Company-A, the driving force for the partnership was (what was then) the CSR department in the Company's Communication sector. Here as well, some of the management already had good contact with Amnesty and it was therefore natural to go into dialogue with them. The corporate responsibility sector at Company-A was recently moved from the Communication department to the Strategy department, something which also sends a signal from the management that this is an important part of the company's strategy.<sup>122</sup> Stora Enso, as well, describes a human rights dedication from the top management, especially in the last few years: "The whole assess-

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<sup>120</sup> Interview Hydro, 2015.

<sup>121</sup> Interview Amnesty, 2015.

<sup>122</sup> Interview Company-A, 2015.

ment was fully supported and committed to at the very top, right from the CEO of the company” their representative clarifies.<sup>123</sup>

#### 4.3.2.1 Summary and Analysis

All the companies report a strong commitment both to human rights investment and the partnerships from the top management. As found in partnership literature, top management dedication is vital for the success of partnership work and could therefore be part of the explanation for the case partnership’s performance. The cases thus confirm Austin’s argument and places top management dedication as a building factor to a functional corporate NGO partnership.<sup>124</sup>

#### 4.3.3 Scepticism

To enter into partnerships with two of Norway’s biggest corporations was not an uncontroversial choice by Amnesty Norway. As explained by their representative, “[i]nterestingly enough, but not surprisingly, the scepticism towards our cooperation with companies didn’t come as much from outside actors, as from inside our own circles.”<sup>125</sup> There was great scepticism within Amnesty International towards just engaging in dialogue, and even worse, collaboration, with a company. “This had to do with an attitude towards big companies as untouchables per se. And that to enter into dialogue with them would then undermine Amnesty’s integrity and credibility” Amnesty remarks.<sup>126</sup>

The organization was still committed to going through with it, and so Amnesty Norway became rather a pioneer within Amnesty when it came to working on corporate responsibility and taking use of “the full toolbox” as they themselves call it. Amnesty later did an independent survey which evaluated their stakeholder’s perceptions of their partnership with

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<sup>123</sup> Interview Stora Enso, 2015.

<sup>124</sup> Austin, (2000).

<sup>125</sup> Interview Amnesty, 2015.

<sup>126</sup> Ibid.

Company-A and Hydro, which showed no signs of opinions towards their integrity or credibility having been diminished. The general attitude within Amnesty International has also changed considerably since then, as Amnesty outside of Norway is now more open towards going into dialogue with companies.<sup>127</sup> This is discussed further in chapter 4.5.1.

The DIHR have also received quite a lot of critique for working with companies in the way they do. Yet, they've found that this is now changing, as they are opening up more about their work, as companies are opening up more, and civil society actors are opening up more to getting into dialogue and cooperation with the private sector. They also stress that this sort of critique is of course part of why they operate with their corporate engagement principles and have made these publically available. "It's to highlight what is our role, what is our mandate. [Working with companies] is a part of our mandate and it is something that we're good at and something that we've done for many years. We also have a big influence and are recognized for that by different actors." DIHR says.<sup>128</sup>

#### 4.3.3.1 Summary and Analysis

As discussed in the theoretical chapter, working closely with companies has been very controversial for non-profit human rights organizations. There has been great scepticism towards "getting into bed with the enemy", and civil society especially have been strongly sceptical to NGOs being paid into silence by big powerful companies. Both Amnesty and DIHR have been working in this manner for a long time and describe a huge change in attitude towards this issue and are pleased to have been a part of this development.

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<sup>127</sup> Ibid.

<sup>128</sup> Interview DIHR, 2015.

#### 4.3.4 Motivation for partnership and choice of partner

In 2001, Hydro's systematic CSR investment was at its initial stage, and in connection with this, Hydro wanted external partners to help them get started. Hydro management were already in contact with a couple of people at Amnesty and the NGO was therefore a natural choice to them.<sup>129</sup> "We wanted to take CSR and human rights seriously. Amnesty has high credibility and we saw a value in having that type of a collaboration partner," Hydro holds.<sup>130</sup> Company-A too were in dialogue with Amnesty, and agreed to start a human rights collaboration with them. Their external support was needed in lack of human rights knowledge and capacity within the company.<sup>131</sup> Amnesty Norway was early out with the human rights knowledge that Company-A saw they needed. They were also very loud, as Company-A describe, and hence a good partner for them at the time.<sup>132</sup> Amnesty saw this as a golden opportunity to increase awareness and capacity within the companies, to better enable them to respect human rights. They wanted to use all the tools available; from cooperation and dialogue to confrontation and action, when and if dialogue failed to work. "We decided that we didn't just want to help by putting the spotlight on the problems, but also contribute to the solutions. (...) We view [the partnerships] as an extra muscle in our work to strengthen human rights protection." the NGO states.<sup>133</sup>

Stora Enso expresses their reasons for choosing to work with a partner as the fact that external assistance helps them achieve the most accurate interpretation of human rights concern, and gives them access to the best available tools for assessment. In their view, a partner also provides credibility in the eyes of customers, investors, civil society organizations etc.<sup>134</sup> "Human Rights is a fairly complex topic, especially for businesses, and when deal-

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<sup>129</sup> Interview Amnesty, 2015.

<sup>130</sup> Interview Hydro, 2015.

<sup>131</sup> Interview Company-A, 2015.

<sup>132</sup> Ibid.

<sup>133</sup> Interview Amnesty, 2015.

<sup>134</sup> Interview Stora Enso, 2015.

ing with complex topics it is always good to have a credible partner to work with.” Stora Enso says.<sup>135</sup>

Stora Enso chose to work with DIHR specifically, because of how actively involved they are with exactly business and human rights. They say they saw a great opportunity in learning from them, due to their experience with working with other large companies as well as UN bodies. Stora Enso also believed that their co-operation with an organization like DIHR would give them credibility, as the DIHR is very well-recognized.<sup>136</sup> DIHR describe that they were made interested in a partnership with Stora Enso because of the high ambition of their project, and how they wanted to have a very transparent and open process.<sup>137</sup>

The DIHR’s general corporate engagement is motivated by the belief that businesses have a big influence on human rights; that they have a big negative impact and a big potential to have a positive impact on human rights. The DIHR also has a specific legal mandate as a national human rights institution to work to support and advice the private sector in respecting human rights. They highlight that they are not doing it to make money, but to improve human rights respect of companies. They believe “the best way of doing that is to establish relationships, open and honest relationships, and to have an ongoing engagement.”<sup>138</sup>

#### 4.3.4.1 Summary and Analysis

According to the partnership literature in the theoretical chapter, the non-profit human rights organizations are motivated both by funding and a wish to change corporate behavior and impact on human rights. Both the DIHR and Amnesty clearly put the most importance on the latter motivation however, and view corporate partnerships as an effective tool to

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<sup>135</sup> Ibid.

<sup>136</sup> Interview Stora Enso, 2015.

<sup>137</sup> Interview DIHR, 2015.

<sup>138</sup> Ibid.

influence their conduct. The companies are mainly motivated by their lack of internal knowledge and capacity. The human rights organizations' credibility is also highlighted as a beneficial factor. When it comes to choice of partner, for Company-A and Hydro, it seems Amnesty was already in contact with them before the partnerships were initiated. Additionally, Amnesty stood out as one of few strong and robust non-profit human rights organisations in Norway who had the capacity and willingness to work closely in collaboration with large multinationals. Hence, the choice was easy. Stora Enso on the other hand, chose to work with DIHR due to their credibility and reputation as well as their professionalism and experience in working with big businesses and human rights.

## 4.4 Phase 2 – Execution

### 4.4.1 Challenges in partnership

Talking about challenges in partnerships, Company-A remarks that at the start of the partnership, there were people in both camps who didn't really want to see things through the others eyes. The way they see it however, this is very normal when two different actors come together.<sup>139</sup> Amnesty describes a similar account of the start of both their partnerships, where both parties have certain stereotypical conceptions of the other.

*One has weird, very stereotypical conceptions of each other; Amnesty people are probably just a bunch of crazy socialists, and business actors are cynical bastards that would basically walk over dead bodies to make money – very prejudiced conceptions of each other which you can probably best change by actually meeting each other. I don't believe there is anything to gain on shutting the curtains or sitting in each ones trench with ones opinions of what the others are, and what they stand for. Whatever it is, that's not how you move forward.*<sup>140</sup>

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<sup>139</sup> Interview Company-A, 2015.

<sup>140</sup> Interview Amnesty, 2015.

Although, these things can be weird in the beginning, Company-A says that after a while you acknowledge that both actors are useful, important, know things the other doesn't, and that you have a common interest which you can work on together. Then, a mutual respect grows.<sup>141</sup>

Amnesty believes it takes courage and will from both parties to engage in the sort of partnership agreement which they did, and is especially impressed with the great openness and a genuine commitment they were met with at Hydro. The NGO has however had its differences with both Hydro and Company-A. As a human rights organisation Amnesty are very clear about what they believe companies can, and should do, in terms of using their influence to e.g. affect specific concrete cases. For example, when both Hydro and Company-A were present in Iran, Amnesty was pushing for them to use their influence to stop the execution of a young girl named Leila Mafi.<sup>142</sup> In these cases the companies felt uncomfortable and although, they did do something, they disagreed with Amnesty on how far their human rights responsibility went beyond their own operations.<sup>143</sup> Amnesty has had several other disagreements with Company-A, regarding for example the conduct of their business partner in Azerbaijan and risk assessment in Irak.<sup>144</sup>

Company-A confirms that at certain occasions Amnesty has wanted for them to take a bigger responsibility than what the company themselves have believed they should. The company says they place importance on the fact that human rights protection is the State's obligation, and that they cannot do the job for every State they are present in. Yet, they are clear that they, as a business, have a responsibility to respect human rights and that they want to take that seriously and do it well. There is however a grey area here and this is where most disagreements arise. There has also been cases where Company-A might have

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<sup>141</sup> Interview Company-A, 2015.

<sup>142</sup> Also in Nigeria when Amina Laval was sentenced to be stoned to death. Confer Amnesty (30. April 2002); Amnesty International Report (1 January 2011).

<sup>143</sup> In Iran both Company-A and Hydro posted Amnesty's urgent action case on their homepage and contacted the Norwegian embassy in Iran to ask the Norwegian government to take action.

<sup>144</sup> Interview Amnesty, 2015.



actually acted on their supposed responsibility, but have had to do this in a way where Amnesty could not be involved or informed about it. This is of course Company-A's choice, but due to business relations, they have assessed this as their best approach. "It is probably both that Amnesty thinks we should do more than what we think is actually our responsibility, but also that the way to take that responsibility may be so that Amnesty shouldn't be involved" they argue.<sup>145</sup>

DIHR highlight several different parts of their engagement with Stora Enso as challenging. Self-assessment is always challenging: "How do you know that what they're saying is actually the truth, and even if it is, that what they see is the reality?" they ask. These problems are, as they explain, linked to making sure people are capacitated enough to actually do the assessment. They might not have enough knowledge or enough insight into what their actual areas of concern in respect to human rights are. Stora Enso also mentions how human rights interpretation is different in different countries and that this can be difficult, even though they arranged training on the assessment tool. They highlight this as one of the key reasons why they thought it helpful for the DIHR to also do a quality assurance of the assessments, and a consolidation of the work that had been done at all units and also by other organizations.<sup>146</sup>

When it comes to the relationship and co-operation however, DIHR describe Stora Enso as being very respectful, open and honest, and clearly feel that the partnership experience has been really good.<sup>147</sup> This is reflected when speaking with Stora Enso. The company seems determined that even though they are a very different organization and have a different background than DIHR, they were able to understand each other very well, and thus describe the collaboration as free of any major difficulties. They highlight, however, that they

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<sup>145</sup> Interview Amnesty, 2015.

<sup>146</sup> Interview Stora Enso, 2015.

<sup>147</sup> Interview DIHR, 2015.

were lucky and that a major pitfall in this type of partnership would be if one does not have the chemistry going between the two parts.<sup>148</sup>

#### 4.4.1.1 Summary and Analysis

With regards to challenges in the partnership itself Amnesty, Hydro and Company-A describe the classical culture clash and prejudices that are defined in the theory chapter as common at the commencement of a partnership. However they also confirm Buzzard's point that this disappears when working closely together. As their understanding of the partner's motivation grew, a mutual respect was established.<sup>149</sup> Stora Enso and DIHR on the other hand, report more or less a spot-less co-operation. This is likely a result of DIHR's experience in working with companies, as was highlighted by Kale et al<sup>150</sup>, contrasting with Amnesty in the year 2000, as well as a different attitude within Stora Enso. This can be explained both by a general change in the conception of cross-sector partnership, as well as by DIHR role as a mandated national institution, hence not a previous provocative critique of Stora Enso, such as Amnesty was probably regarded as by Hydro and Company-A.

When it comes to other difficulties, Amnesty has had several disagreements with their company partners mostly on single cases.<sup>151</sup> These disagreements often have concerned areas where Amnesty requires their partners to go beyond human rights respect in terms of doing no harm, and encourage them to use their power and place to influence human rights situations, beyond their own operations. Furthermore, there have also been disagreements between Amnesty and Company-A based on different readings of the contents of Company-A's responsibility as well as project risk, and Company-A have then sometimes chosen not to listen to Amnesty's pleas.<sup>152</sup> Still, I do not see the objective of Amnesty as being

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<sup>148</sup> Interview Stora Enso,2015.

<sup>149</sup> Buzzard(1999).

<sup>150</sup> Kale, Dyer and Singh(2002).

<sup>151</sup> Interview Amnesty,2015.

<sup>152</sup> Interview Amnesty,2015.

compromised. Although Company-A are not using the potential of the partnership to the fullest, and even go against Amnesty's clear recommendations – Amnesty's reputation and legitimacy is in good shape. As Amnesty mentions, Company-A still have impressively high human rights standards compared with the rest of the world – and have changed extensively. Amnesty still receive some funding, and they can publicly criticize the company if need be.

#### 4.4.2 Important factors for collaboration

Openness and communication is placed highly as important factors for a good partnership amongst the different actors. Hydro truly appreciates how instead of jumping straight to accusations, Amnesty contacts Hydro and asks for an explanation. They further remark that “the trust and openness we have with each other is important.”<sup>153</sup> Amnesty also highlights Hydro's openness and praises the company's courage in meeting discussions and how they are not afraid of being exposed. They appreciate how Hydro has let them speak, met their employees, and bring up necessary discussions etc. throughout the collaboration.<sup>154</sup> Company-A argue that openness about the issues they disagree on is important for the partnership to work optimally and also echo Hydro's appreciation for the fact that Amnesty comes to them before going out in the media with criticism. Even if they do end up going out in the media, it is useful for the company to know when, so they can clear the case up, they explain.<sup>155</sup>

Stora Enso and DIHR also seem to agree that a good and open relationship is very important, and Stora Enso emphasizes the importance of good partnership chemistry. “Of course, one needs to work with organizations that have the expertise and so on, but I think the more important criteria would be the chemistry between the organizations,” their representative remarks. In their view, the chemistry facilitated the whole project and made it

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<sup>153</sup> Interview Hydro, 2015.

<sup>154</sup> Interview Amnesty, 2015.

<sup>155</sup> Interview Company-A, 2015.

possible to do the work on all three areas of engagement in the very short time frame of one year. It needed a lot of close cooperation, frequent communication and understanding of each other, the company says.<sup>156</sup>

#### 4.4.2.1 Summary and Analysis

Interestingly, only Hydro specifically mention the word trust, which is emphasized very much by Parker as a success factor.<sup>157</sup> However, they all place importance on openness and communication, so one would assume that a degree of trust is implicit. Stora Enso strongly highlights their positive chemistry with DIHR, and makes it clear how important cultural compatibility can be for a successful partnership. Amnesty specifically praise Hydro's openness and further point to an experience of a more relaxed and open culture than at Company-A.<sup>158</sup> The fact that their level of contact and communication with Hydro has been much higher than with Company-A, further points to a stronger cultural compatibility with Hydro. Amnesty's different experience with the two, confirms Dahan, Doh, Oetzel and Yaziji's claim that cultural compatibility is significantly important, and furthers also their point that the company should take use of the full partnership potential in order for the collaboration to thrive. Hydro has taken greater use of what Amnesty has to offer. In return their partnership is experienced as closer and more fruitful.

#### 4.4.3 NGO integrity

In order to keep their integrity and avoid accusations of being paid for their silence, Amnesty has certain ground rules for their corporate partnerships. Firstly, the funds they receive in relation to the collaborations are not earmarked any specific projects, but can be used for whatever Amnesty sees fit. Second also, the funds are never to make up more than 4 % of Amnesty's yearly income, thus a possible partnership termination will not constitute

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<sup>156</sup> Interview Stora Enso, 2015.

<sup>157</sup> Parker(2003)p. 102.

<sup>158</sup> Interview Amnesty, 2015.

a big loss for Amnesty if they should wish to bend out of the agreement. Lastly, it is made clear that Amnesty is free to publically criticize the companies.<sup>159</sup> Amnesty's integrity has been kept well by help of these conditions, they argue. This was made evident by their independent stakeholder survey.<sup>160</sup>

The Danish Institute holds that it is challenging to make sure that they are actually achieving the results they are aiming at. Helping them achieve this, and keep their integrity, are their corporate engagement principles, which make it clear that when they work with companies, they do it with the aim of actually improving their human rights performance. They also highlight that in order to improve human rights enjoyment, they promote transparency in their engagement with companies. "How do you ensure that the report that you've created doesn't just sit on a desk or on the shelf and isn't being used or implemented? (...) This is something that we continuously think about and work together to improve. It's a constant challenge" the DIHR assures. It is getting easier though, the Institute claims, as they experience more of a push also within the companies to be transparent about what they've done. The fact that companies are willing to publish reports on their assessment findings, such as Stora Enso now has, is great for DIHR, as all public output helps them show that they truly want to have an open dialog and be transparent about their engagement.<sup>161</sup>

#### 4.4.3.1 Summary and Analysis

The two organizations both protect their integrity through a set of conditions and principles applied to their partnerships, but do not feel their role is compromised and do not report any further problems in keeping their integrity or credibility. Moreover, the companies do not seem interested in an NGO-capture, and view such a situation as undesirable for them as well. Company-A is clear that there was no "other" reason why they entered this type of

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<sup>159</sup> Eriksrud(24 October 2011).

<sup>160</sup> As seen in ch.4.3.3.

<sup>161</sup> Interview DIHR,2015.

work, and that it was not “a type of whitewashing”.<sup>162</sup> Hydro too places importance on Amnesty’s role in the partnership: “we were clear that it should be an agreement where we would support them financially and use them as advisors, whilst they would also get insight to our decision making process. There was never any talk of them putting their stamp on our actions” the company stresses.<sup>163</sup>

#### 4.4.4 Implementation of the UNGPs

When asked to compare their own conduct to the UNGP requirements, Hydro thinks they have come a long way. “To say that the respect and remedy pillars are 100 per cent covered is of course difficult, but we have gotten pretty far,” the representative claims.<sup>164</sup> Their biggest struggle is measuring and reporting. To measure human rights impact is, as they’ve found, very difficult and something everyone is struggling with. In their view, the problem is the complexity of human rights and that the available indicators do not tell you enough, if they tell you anything at all. Hydro thinks we have a long way to go in defining exactly what needs to be measured. Reporting and measuring was included in the project Hydro did with DIHR in 2014, but was one of the areas they didn’t get too far on. It is also on the agenda in the ICM, Hydro says.<sup>165</sup> Several organizations are working on it, such as the DIHR, Shift etc., and Hydro express interest in, for example, DIHR’s assessment platform, which is published this spring. They admit to be sceptical to how this is still a 300 pages long document, but will definitely follow the development.<sup>166</sup>

When it comes to measures for remedy, Hydro very recently launched a grievance mechanism in Brazil. They’ve had a whistle blower channel available for employees and factory workers for a long time, but have now introduced a system which is for everyone who might have been affected by their activities. The system was launched with “pump and cir-

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<sup>162</sup> Interview Company-A,2015.

<sup>163</sup> Interview Hydro,2015.

<sup>164</sup> Interview Hydro,2015.

<sup>165</sup> International Council on Mining and Metals.

<sup>166</sup> Interview Hydro,2015.

cumstance” in 2014, but is hardly used. Hydro believes the system in itself should function very well. The challenge lies in convincing locals that there is a point in using it. Hence they need to work out how to improve its credibility and perhaps launch it differently. “This is definitely something we need to work on,” their representative asserts.<sup>167</sup>

Company-A highlight supply chain requirements as their biggest challenge in UNGP compliance. Still, they admit that they could indeed be better at all its principles. They are currently working on a policy statement, further human right training, and preparing to do a gap analysis. Both for the policy statement and the training, they are supported by external expertise other than Amnesty. Even though they have a range of people working on sustainability every day, they are still not enough, they claim. Besides, the company sees a need to educate their leaders further. Company-A also acknowledge that they have to get better at the tracking and reporting criteria. The company has yet to invest properly in reporting mechanisms and admit to be a lot better at reporting corruption issues and questions, than human rights. The planned gap analysis is scheduled to oversee all their processes, something which is quite an extensive task considering the size of the company. Yet, they aspire to manage it themselves.<sup>168</sup>

Stora Enso argues that they have now covered all main UNGP requirements; they have a human rights policy commitment, they did the assessment in 2014 with DIHR, they report on their human rights performance in their sustainability report, and they have some remediation measures. Overall, they explain that “All the elements are there, but at various levels.”<sup>169</sup> The remediation measures, they mention, especially have scope for improvement. Just like Hydro, the forestry company views having an effective grievance channel as one of the more difficult tasks. In almost every country they operate in, the company’s mills are placed in very remote areas. These are regions with significant economic and social challenges; the neighboring communities often consist of farmers and are not usually very high-

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<sup>167</sup> Interview Hydro,2015.

<sup>168</sup> Interview Company-A,2015.

<sup>169</sup> Interview Stora Enso,2015.

ly educated. How to ensure a truly effective grievance channel, which neighboring communities and others can trust and use effectively, is something they have been working on intensively, Stora Enso assures. They also admit to struggle with acting upon difficult assessment findings. Often, the spotted issues are closely linked to other societal or socio-economic parameters in the country of operation. When this is the case, they explain, it is not quickly solved and one will perhaps only be able to see progress on at 5 to 10 year timeframe. Dealing with these sort of societal issues also raises challenges in convincing stakeholders to be patient, they add.<sup>170</sup>

#### 4.4.4.1 Summary and Analysis

All companies are currently working to improve their UNGP implementation, and have all taken use of several external partners in connection to this. Their compliance with the different requirements is at various levels and none of the actors are scared to admit that certain requirements are challenging to meet. Hydro and Stora Enso mention that creating effective grievance mechanisms available to everybody is challenging in terms of getting locals to trust its effectiveness and actually bring it to use. Tracking and reporting is further highlighted a challenging area. Therefore, Hydro and Stora Enso have taken the use of DIHR assistance, but still refer to problems with unsatisfactory indicators and acting on complex findings. The available indicators, guidance and assistance in these areas are still developing and such problems are undoubtedly quite challenging even with help from human right experts. Still the companies' willingness and dedication to UNGP implementation is striking. To what degree this dedication is related to their partnership involvement is unclear. All the three companies seem to have followed John Ruggie's work independent of their partnership relations, as they recognized this as an important area for them to stay updated on. Their partnering human rights organizations have most likely augmented their dedication, however, through knowledge increase and awareness raising.

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<sup>170</sup> Interview Stora Enso, 2015.



#### 4.4.5 UNGP effect

Company-A is very assertive in speaking about the role of the UNGPs, and is convinced that the principles have made a major difference. “We had a commitment to respect human rights before as well, but [the guiding principles] set a standard for what that means, and fills that sentence with a meaning. And, it means we know how we are supposed to do it,” Company-A argues.<sup>171</sup> For them internally, the Guiding Principles gave Company-A a framework to work from and a way to attack the issue of human rights responsibility. Externally also, the company explains how they can sit with Chevron, Exxon, or BP and talk about the UNGPs, and have everyone instantly know what they’re talking about. “We can say “*we need a grievance mechanism*”, and they’ll say “*Yes, we do.*” We don’t have to argue for it.” The company sees the principles function as a common reference point, as something that was definitely missing before the Guiding Principles were launched. They further highlight how the sentence “we’re committed to respecting human rights” now basically immediately refers you to the UNGPs and is clear that they’ve made a massive difference.<sup>172</sup> Like Company-A, Hydro and Stora Enso describe the guiding principles as giving them a framework and a structure to approach the topic of business and human rights from.<sup>173</sup>

While their partner Company-A applauds the UNGPs, Amnesty see the principles as rather lacking, and argue that they would have wanted more from them. However, this does not mean that they view them as useless in any way. The organization say they have always, and are still, using the UNGPs for all that they are worth. They point to how Company-A pretty much has control over the Guiding Principles themselves, and that Hydro have worked with DIHR in this connection. Yet, the NGO uses the principles as a frame of reference in a lot of their work, and in dialogue, in effort to let them become authoritative.<sup>174</sup>

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<sup>171</sup> Interview Company-A,2015.

<sup>172</sup> Interview Company-A,2015.

<sup>173</sup> Interview Stora Enso,2015, Interview Hydro,2015.

<sup>174</sup> Interview Amnesty,2015.

The Danish Institute on their side also contributed to the development of the UNGPs and talk about how they have created a much firmer framework. According to them, the principles have created a more common language and a way of viewing the different roles and responsibilities. “The Guiding Principles have been quite genius in creating pillars and the structure where you have focus on the duty of the state, corporate responsibility and access to remedy as the third pillar, because it really helps create an understanding of the level of responsibility,” DIHR argue.<sup>175</sup> They especially pay homage to how the UNGPs have created a distinction between state obligation and corporate responsibility, as there has been a tendency for a lot of actors wanting companies to meet a lot of the obligations of the state. They point out, however, that this does not of course mean that in some circumstances companies won’t have to take on certain roles or tasks.<sup>176</sup>

#### 4.4.5.1 Summary and Analysis

For the human rights organizations, the UNGPs have created a point of reference, and also a common language when working with companies on human rights compliance. The principles have made it clearer to companies where exactly their responsibility lies, and made a big difference as a standard everyone knows and strives to implement. Whatever ones’ position is in relation to what the UNGPs define as part of a business’s responsibility towards human rights, it is clear that the principles have made great difference in creating a common framework to work from.

### 4.5 Phase 3 - Achievements

#### 4.5.1 Influence internally and externally

Before Company-A went into partnership with Amnesty, there were a couple of employees with human rights knowledge within the company, yet a lot of employees had not yet

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<sup>175</sup> Interview DIHR, 2015.

<sup>176</sup> Ibid.

learned to “think in that way”, Company-A confesses. The partnership started a process of awareness raising and capacity enhancement around human rights within the company. In the interim it also built stronger mutual respect and understanding between the two partners.<sup>177</sup> Hydro says they have definitely experienced internal influences from their collaboration with Amnesty. The company is especially happy with how employees who run the business out at factory locations have achieved a better understanding of how their projects have human rights impact. Regarding the training for their newly employed, Hydro salutes Amnesty’s effort and how they get a lot of important discussions going, and think their employees take their experiences there, with them in their work.<sup>178</sup> When Hydro brought Amnesty to their workplaces in Norway, the general understanding within the company of how even in Norway their operations must be regarded in relation to human rights, also grew. In general, Hydro describes that the partnership with Amnesty has helped them see the connection between their work and human rights, and also gain an understanding of the breadth of human rights.<sup>179</sup>

How broad the topic of human rights actually is, is also mentioned by Stora Enso as their key learning from working with the Danish Institute. Further also, they mention exactly what kind of impact the company can have on the society, as a big learning. This is clearly expressed by their representative:

*I think at the end of the assessment, the people who did the assessment, the top management and everyone else in the company, really understood the breadth and the variety of human rights that a company can both positively and negatively impact.(...) It’s not just child labor, it’s not just working hours, it’s not just health and safety issues. There is much more to it.*<sup>180</sup>

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<sup>177</sup> Interview Company-A,2015.

<sup>178</sup> Interview Hydro,2015.

<sup>179</sup> Ibid.

<sup>180</sup> Interview Stora Enso,2015.

Stora Enso considers this as their key internal take-away. The interviewee also expresses how he thinks that based on the assessment results, the company actually understood how much more focus it needs to put on human rights. This is what they are now starting work on in 2015. The company has also found that their stakeholders; customers, investors and NGOs have been very positive to them putting it all out there in the public. This is of course very interesting and exciting as Stora Enso is one of few companies globally to publish the results of such a large scale human rights assessment in the form of a report.<sup>181</sup>

The partnerships have also had some influence internally and externally for the non-profits. Amnesty describes the whole partnership process as both very interesting and informative. They say they have learnt a lot from it; that their exchange of views and discussions have enabled them to better see things from the company's point of view. "As we understand their experiences and challenges out in the field better, we can improve our recommendations and demands to them on how they can improve their human rights policies and practices. And they get an understanding of how they look from the outside. (...) It's a win-win situation" Amnesty claims.<sup>182</sup>

During their work on developing the Stora Enso specific assessment tool, DIHR's draft versions of the tool were sent to Stora Enso's different business units and departments for them to give input and comment on the content. The Danish Institute says getting this feedback was very positive for them in the process of developing the most suitable assessment tool for Stora Enso.<sup>183</sup> They further explain how all the funds that they create through their corporate engagement are channeled back into their program.

*All the knowledge and information that we get through these engagements, they all feed into the overall corporate engagement program, and contribute to our different public outputs. So, for example, the UN global compact self-assessment tool, the*

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<sup>181</sup> Ibid.

<sup>182</sup> Interview Amnesty, 2015.

<sup>183</sup> Interview DIHR, 2015.

*quick check that we've published, articles, and publications – they're all supported by the knowledge that we generate through the engagements, and also through the financial support we get.*<sup>184</sup>

Externally, DIHR mention that when presenting their work and engagement with Stora Enso at NGO-meetings in Sweden and Finland, they described their way of working as taking the role of a “critical friend”. They were met with very positive reactions and explain that several NGOs expressed a wish to take on the role of “a critical friend” too, in their engagement with businesses.<sup>185</sup> Equally, Amnesty Norway convinced their organisation that corporate collaborations can work. “We’ve had several rounds on this internally in Amnesty, for example at the Amnesty world conference, where we’ve presented how we work, the reasons why we’ve chosen to work this way, as well as our experiences” their representative says.<sup>186</sup> This has led to other sections of the organisation choosing to work in a similar manner, having CSR forums or business groups, where they have dialogue in order to influence policy and practice.

#### 4.5.1.1 Summary and Analysis

It is clear from the case studies that the partnerships generate a strong rise in awareness and comprehension at several levels in the companies. Particularly, the companies describe a change in how human rights are understood and thought of. Both Hydro and Stora Enso describe a widening of the concept understanding. The partnerships help them see how human rights actually apply in their day to day operations, as well as the range of issues that are actually human rights issues. As expressed by DIHR, this type of awareness raising is an achievement in itself.<sup>187</sup> Independent of what direct influence the partnerships have on corporate action and human rights impact, the influence on the companies’ understanding of their human rights impact, will clearly itself issue positive results.

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<sup>184</sup> Ibid.

<sup>185</sup> Ibid.

<sup>186</sup> Interview Amnesty, 2015.

<sup>187</sup> Interview DIHR, 2015.

The knowledge share and learning in these partnerships is perhaps the most evident in them all. Each actor studied in this paper is convinced that their organization or company has learned a lot as a direct consequence of their cross-sector collaboration. Both the companies and the non-profits also see the knowledge and understanding attained from the partnerships as valuable for their continued work. Company-A and Hydro talk highly of Amnesty's capacity training and the value of having their human rights expertise available. Stora Enso sees the partnership with DIHR as a highly educational experience. What is unmistakable, however, is how the non-profits as well insist to learn a lot from working with companies in relation to what the challenges are in corporate human rights responsibility, and how one can best fit human rights into their day-to-day operations. Externally, the partnerships have mainly influenced civil society and seems to have supported a "warming up" to the idea of corporate-NGO collaboration. Both Amnesty and DIHR started working in collaboration with companies very early on, and have after a while managed to inspire others to consider working more closely with businesses.

#### 4.5.2 Added value

Both the Hydro representative personally, and the management of Hydro, think the collaboration with both Amnesty and DIHR has been very useful and profitable. Amnesty have given them advice and impulses on projects where Hydro themselves weren't quite aware of the relevant human rights implications. In other cases, such as in Qatar, the dialogue with Amnesty has enabled them to get a more comprehensive understanding of accusations made against their operations.<sup>188</sup> Another added value of the partnership mentioned is Amnesty's country expertise: "for example, we do have our own people in China who know China. However, we strive to get as much information as we can, and here Amnesty is a great source, and can give their view on the human rights situation in China. So [the part-

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<sup>188</sup> Hydro received critique of working conditions during the construction of factories in Qatar. Interview Hydro, 2015.

nership] gives us the broadest possible information background for making any relevant decisions,” the interviewee says. They feel it has so far been a good cooperation and that both parts have achieved something substantial from it. Amnesty talk highly of their relation with Hydro and are happy both with having influenced the company’s way of thinking in regards to human rights, as well as having contributed to a signal effect to the general business community about what corporate human rights include.<sup>189</sup>

For Company-A, the added value of their partnership with Amnesty can be split in to two key functions. The first is their expertise. The thematic and country expertise of Amnesty Norway and their international office is still very valuable for Company-A to have access to. As mentioned, Amnesty’s training at the early stages of the partnership was at the time also a main benefit of the collaboration. Today, on the other hand, their perhaps most important function for Company-A is their ability to be the company’s “ear out”. “It is important for us that they let us know how the world views the company, and what we can do better. (...) We need people from outside who will let us know when we’re completely off track” they explain.<sup>190</sup> Amnesty’s function as an external check, in addition to their country risk expertise, is mentioned as the key reasons why Company-A are still engaged in a partnership with them. On Amnesty’s part the partnership with Company-A is described as an exciting and interesting journey. Although there is some disappointment with regards to Company-A’s conduct, Amnesty is still generally pleased with the partnership work. “[Company-A] is a different company today compared to the company they were in 2000 when their response was that “human rights are politics, and we do business, so human rights are nothing we need to worry about.” This is evident simply from looking at their policies and general attitude [with regards to human rights]. Today [Company-A] would never say that human rights are not their business,” they note.<sup>191</sup>

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<sup>189</sup> Interview Amnesty, 2015.

<sup>190</sup> Interview Company-A, 2015.

<sup>191</sup> Interview Amnesty, 2015.

Stora Enso highly enjoyed working with the Danish Institute for Human Rights and say they would suggest it to all companies. In their view, it has helped their decision makers further understand that when they make decisions or large investments, it is extremely important to take in to account human rights considerations. Further also they mention, “...that it is not important just [in terms of] costs, but that a social license to operate has a huge impact on the investment – because if you don’t have it, then you are going to have a lot of problems.”<sup>192</sup> The transparency and openness of the whole engagement with Stora Enso is something which the Danish Institute puts forward as a great value for them. They are especially positive about how all the other organizations that Stora Enso had engaged with were willing to share their results. Being able to see all the different reports from FWC and BSR and look at how they aligned with their own assessments, is pointed to as a great benefit for them in terms of knowledge share.<sup>193</sup> The Institute further point to their participation at NGO meetings with Stora Enso as a great experience of open dialog, and underline the value of being able to have that type of dialog with different stakeholders and be open about their work.<sup>194</sup>

#### 4.5.2.1 Summary and Analysis

All actors have had considerable added value from working together in human rights partnerships. For the companies, the available human rights expertise is the most valued factor. Company-A also highlight the value simply of having someone external who can look at the company from the outside, and thus give guidance. For the human rights organizations themselves, the added value of actually influencing corporate thinking and behaviour is emphasized. Additionally, the DIHR highly values being a part of the type of extensive work which Stora Enso did, when it is also published so that others are able to see what they’ve done and how they work.

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<sup>192</sup> Interview Stora Enso,2015.

<sup>193</sup> Fair Working Conditions; Business for Social Responsibility.

<sup>194</sup> Interview DIHR,2015.



## 5 Final Analysis

### 5.1 Comparative analysis of the three partnerships

Although Amnesty went into similarly motivated partnerships with Company-A and Hydro at the same time, the NGO expresses very different experiences with the two companies. It's been their feeling that Hydro has, to a much higher degree, used the potential of their partnership agreement, than Company-A. Their partnership with Hydro has detained more concrete activity and content.<sup>195</sup> Their low contact activity is explained by Company-A by a reduced need for what the Amnesty agreement can actually offer them, due to their internal capacity increase and what other more specifically orientated business and human rights consultancy agents can offer them.<sup>196</sup>

Amnesty further describes an entirely different organizational culture at Company-A. They are seen as more anxious about giving Amnesty access to every employee and to having open discussion with them. This could potentially mean that Company-A feel they have more to hide from Amnesty. Either way, Amnesty seems to believe the difference is related to the companies' different history and culture; while Hydro is more or less an old Norwegian corner stone company, Company-A is compared more with a big American business in terms of organization and business culture. This experience is partly reflected also in my own meetings with the two companies. Hydro especially gave an impression of being more open and honest about their reasons for committing to human rights, mostly by giving more detailed answers. Amnesty has also struggled to establish a good relationship with Company-A due to a rapid change in organizational structure and positions. While with Hydro, they have had contact with some of the same people through-out the entire partnership, Company-A has shuffled responsibilities so often that Amnesty's contacts have constantly

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<sup>195</sup> Interview Amnesty, 2015.

<sup>196</sup> Interview Company-A, 2015.

been swapped out. This, of course, also affects the partnership, as you build relationships with people in order to best work together. Constantly having to start over is, of course, therefore unfortunate. The fact that there is a much stronger continuity in Hydro also makes it easier for Amnesty to have an overview of how they are working and, what they are doing.<sup>197</sup>

In comparison with the two Amnesty partnerships, Stora Enso's partnership with DIHR is first of all a lot shorter lived, more concrete, and of a newer time. While Amnesty's partnerships initially concerned human rights capacity training, Stora Enso had a different actor assist their training, and engaged DIHR specifically on tasks concerning their human rights assessment in 2014. As Stora Enso and DIHR had a close and intensive cooperation during this one year, Amnesty has guided Hydro and Company-A on human rights questions concerning their different moves and activities over a far longer period.

Furthermore, as the DIHR is more experienced in working on human rights assessment and compliance with companies, their input in Stora Enso actual work towards changing their human rights impact is more concrete. Together, they developed a specialized assessment tool for Stora Enso's operations and the institute performed a full human rights assessment in Guang Xi. They therefore seem to have engaged more closely with employees from different country sectors, and production sites, on a more detailed and specific level around their self-assessment. Amnesty has, especially with Hydro also engaged with employees from the different offices – but here only in relation to training and awareness raising.

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<sup>197</sup> Interview Amnesty, 2015.

## 5.2 Main findings

### 1) Why do companies and human rights organizations engage in strategic partnerships?

#### *Companies*

After moving their business abroad, the companies in this study all had some unpleasant experiences and discovered some human rights issues of real concern related to their operations. External pressure from civil society and the state, combined with an increased internal need for human rights capacity training, therefore motivated a stronger investment with regards to human rights compliance. In lack of internal knowledge and capacity an external and credible partner could provide them with expertise, assessment tools, guidance and legitimacy.

#### *Human rights organizations*

The non-profit human rights organizations in the thesis are mainly motivated by the possibility of influencing corporate thinking and impact on human rights. They view partnerships with companies as an opportunity to use “all the tools in the toolbox” in order to contribute to a bettered human rights situation. Although the organizations receive funding from their corporate partners in exchange for their assistance, this is not mentioned as a key part of their motivation.

### 2) How do partnerships between companies and human rights organizations work?

*Strategic partnerships employ the core activities of both actors and concern issues that are important for the partners to each reach their goals.* In strategic partnerships the non-profit organization is engaging with the company as a part of their work towards their overall mission, so in the case studies in this thesis - to promote human rights compliance. The company's operations are somehow linked to the NGO's mission. For example, their ac-

tivities at various levels of their value chain are impacting and perhaps violating human rights. The linkage between the company's activities and the non-profit's mission qualifies for a strategic partnership. Stora Enso, Company-A and Hydro's human rights impact affects their social license to operate and their business directly through several channels. Thus, the partnership agreements concerning the companies' human rights conduct, concerns the core activities of both partners.

*Knowledge sharing is at the core of a strategic partnership on human rights.* Judging from the partnership case studies in this thesis, knowledge is the primary pursued resource in strategic human rights partnerships. The collaborations first and foremost involve sharing of knowledge, mutual education and strategic advice. Financial support and legitimacy for example, are only secondary to the quest for knowledge and information. Hence, the resulted rise in human rights awareness and understanding of the company's actual human rights impact and risks, is evident as key output from the partnerships for both partners.

*Open communication is a decisive factor to the success of partnerships.* Both sides agree that having an open relationship based on continuity and open discussions is critical to the success of the partnership. The non-profit's especially stress the importance of the companies' openness and transparency with regards to the added value of the engagement. The communication between the partners will depend on several factors, but especially their cultural fit and mutual respect.

*The integrity of the human rights organization is well kept in place through as set of partnership conditions.* Both the non-profit and the corporation are interested in keeping the integrity and credibility of the non-profit. This depends on them staying true to their mission and having positive results from their work in that direction. In order to make clear their intention in working in partnership with companies, the non-profits operate with specific principles and conditions for their corporate engagement. In strategic human rights partnerships such as those illustrated in this thesis, keeping the non-profit organizations integrity is not viewed as especially problematic. Their corporate partners are also interest-

ed in preserving their integrity. Without it, the companies themselves lose the legitimacy and credibility the non-profit brings to their engagement. Additionally, cross-sector partnerships are more common today than in the 90s, and corporate-NGO partnerships are receiving more and more acceptance in civil society.

*The partners are both taking great use of the UNGPs in working towards human rights compliance.* Regardless of their opinion on legal human rights regulations and the content of the UNGPs, the human rights organizations and the companies all have great use of the UNGPs as a common framework on corporate human rights responsibility. For the companies the principles are described as a “game changer” with regards to making the content of their human rights responsibility more clear and concrete. The projects in, and content of, the partnerships, can all be related to compliance with the UNGPs; the companies are working on human rights policies, impact assessments and grievance mechanisms.

### **3) To what degree is a corporate NGO partnership effective for changing corporate human rights behavior?**

After this study, I stand very positive to the potential of strategic partnerships between companies and non-profits in addressing corporate respect for human rights. I do not, in any respect, suggest partnerships as alternatives for other means of promoting or ensuring corporate human rights respect. However, viewed as a voluntary tool, complementary to national and international action by governments and international organizations on securing corporate respect for human rights; the potential of strategic partnerships is substantial. The descriptive case studies in this thesis illustrate how the partnerships can contribute to changing corporate behavior, and how they can benefit both the corporate actor and the non-profit, as well as the greater society. Reflecting on the partnership cases in this thesis, it is evident that the non-profits have played a large role in the process of improving the corporations’ human rights commitment, both in terms of awareness raising, implementation of the UNGPs and compliance with international standards.

Amnesty's human rights training has raised human rights awareness and capacity at both Hydro and Company-A, and thus altered their understanding of the company's human rights impact, as well as their behavior in practice. Equally, Stora Enso's understanding of, and attitude towards, their human rights responsibility and impact, has increased at several levels in the company as a result of their engagement with DIHR. Through their assessments, expertise, and advice the human rights organizations have located risk areas and serious issues in need of change for the companies, which has, although not always, often, led to corporate action. In this way, they have also influenced decision making and behavioral change. At Stora Enso, DIHR has quality checked the company's human rights assessment and contributed to publish a report which shares Stora Enso's human rights challenges. This calls for other companies to assess their human rights impact, and be open about how they are taking responsibility for their conduct. All in all, the partnerships have had positive influence on the companies' human rights strategies and practice in several areas.

Still, when discussing the effect of corporate NGO partnerships, it should be noted that a partnership is voluntary, and were in all three case studies entered into through an already established human rights commitment within the company. Hence, the company is in the driving seat. The NGO provides the company with an "easier" and better way to make sure their work is legitimate and of quality, but it is the company which chooses to change what must be changed. Of course though, one should not underestimate the effect civil society creates through the simple fact of being there, and offering a human rights and business partnership. It is very likely that more businesses will go further in regards to human rights compliance when the road is made easier for them.

### 5.3 Additional observations

#### *Industry development*

It is evident from the case companies' experience that there is currently a development regarding increased human rights compliance requirements in joint venture agreements, investment deals, lending terms and other stakeholder relations. Company-A and Hydro mention different involvements within their industry where they work to heighten human rights standards. Stora Enso aspires to change both standards and transparency within the forestry industry as their public human rights assessment report will hopefully enable other companies to learn from their experience.

#### *Move towards human rights and business consultancy*

According to DIHR, it is not only the businesses becoming more educated in human rights, "but also civil society and national human rights institutions becoming more educated on business; what type of terms and structures are there for business, and how you can fit human rights into those structures and make human rights understandable to the different day to day operations of companies."<sup>198</sup> Whilst more NGOs are engaging in the idea of working in strategic collaboration with businesses, we also see a growth in human rights and business consultancy groups and experts. Judging from Hydro, Company-A and Stora Enso's statements and actions, working with these agents is more helpful in relation to compliance with international standards, than strategic partnerships with NGOs. This is clearly expressed by Company-A; "Amnesty does not have the type of competence that Institute for Human Rights and Business or Shift has. So as far as me or the new strategy manager need external input, we will use those who are actually researchers in this field and can provide more substance.(...) [They] have more experience on what others have done, what is the emerging best practice, and what works."<sup>199</sup>

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<sup>198</sup> Interview DIHR, 2015

<sup>199</sup> Interview Company-A, 2015

Rather than working with general human rights NGOs to draw on human rights expertise, companies seek more specialized organizations with experience in human rights compliance by businesses. This is evident from Hydro's work with DIHR outside their already present partnership with Amnesty Norway, and even more from Company-A's move from their partnership with Amnesty towards drawing on other human rights and business experts. Therefore, it seems that large multinationals are increasingly choosing to work like Stora Enso, where they collaborate with one or several specialized non-profits who have experience in working with human rights assessment and compliance for large companies. Noticeably, this does not, however, rule out the relevance of other types of corporate-NGO partnerships.<sup>200</sup> These collaborations will simply be used for other purposes than specifically changing human rights compliance within the companies own operations.

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<sup>200</sup> As seen from Hydro's several engagements and Stora Enso's partnership with Save the Children.



## **6 Conclusion**

### **6.1 Final reflections**

My studies for this thesis have left me impressed with the work that Amnesty and the DIHR have done through their corporate engagement. Their pragmatic ways of influencing corporate behavior, and ways of reflecting on opportunities and challenges, is inspiring. The study has also left me with respect for the UNGPs. Their accomplishment in creating a clearer definition of business' human rights responsibility, in infiltrating the business sector, and becoming the expected and accepted standard for corporate conduct in business circles, represents an important step on the way to bettering corporate human rights impact.

Correspondingly, the findings of this study have led me to reflect on the lack of a corporate engagement program at the Norwegian national human rights institution. Both Hydro and Company-A have had to reach out abroad to get the human rights and business expertise which Amnesty was not able or willing to give them. Seen in connection with the increase in human rights and business specialized consultancy, Company-A and Hydro's need and use of such resources, leaves the question of why the Norwegian national human rights institution has not started a corporate engagement program themselves. According to my research, such services will only continue to be more sought after in the private sector, and are an effective way to better corporate behavior and human rights impact.

### **6.2 Concluding statement**

All in all, this thesis has shown that strategic partnerships between companies and human rights organizations have the potential to further help both actors to better reach their separate goals. My cases illustrate that collaborations can have significant effect at changing corporate behavior, by influencing the companies' way of thinking, increasing their human rights capacity, and assisting change in policy and practice -often in relation to UNGP compliance. The interviews provided rich illustrations of key points brought forward in the academic literature. The generalizability of my research is low, however, the illustration is

strong. As the case studies concerns five big and important actors, they indicate a clear space of opportunity concerning corporate human rights responsibility.

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## Interviews

Interview Amnesty, 2015. Conducted 25 March 2015 at Amnesty HQ, Oslo. Representative: Beate Ekeløve Slydal, political advisor.

Interview Company-A, 2015. Conducted 7 April 2015 at Company-A HQ Oslo.

Interview Danish Institute for Human Rights, 2015. Conducted 9 April 2015 at DIHR HQ, Copenhagen. Representative: Cathrine Bloch Poulsen-Hansen, Corporate Engagement Programme Manager.

Interview Hydro, 2015. Conducted 19 March 2015 at Hydro HQ Oslo. Representative: Ivar Oellingrath, Director CSR.

Interview Stora Enso, 2015. Conducted 10 April 2015 over telephone. Representative from Group Global Responsibility function.